

CONFIDENTIAL TIGHT HOLE

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

(Other instructions on reverse side)

5. Lease Designation and Serial No.

U-47876

6. If Indian, Allottee or Tribe Name

N/A

7. Unit Agreement Name

Cave Canyon Unit

8. Farm or Lease Name

Cave Canyon Federal

9. Well No.

#12-3

10. Field and Pool, or Wildcat

Cave Canyon Field 303

11. Sec., T., R., M., or Blk. and Survey or Area

Sec. 3, T38S - R24E

12. County or Parrish 13. State

San Juan

Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. Type of Well

Oil Well ☒Gas Well ☐

Other

Single Zone ☒Multiple Zone ☐

2. Name of Operator

303/759-3303

1777 S. Harrison St., PH 1

Raymond T. Duncan

Denver, CO 80210

3. Address of Operator

303/452-8888

13585 Jackson Drive

Permitco Inc. - Agent

Denver, CO 80241

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface

1610' FNL and 1300' FWL

At proposed prod. zone

SW NW Sec. 3

14. Distance in miles and direction from nearest town or post office*

32 miles southeast of Monticello, Utah

15. Distance from proposed location to nearest property or lease line, ft.

(Also to nearest drlg. line, if any)

20'*

16. No. of acres in lease

1289.44

17. No. of acres assigned to this well

40

18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft.

approx. 900'

19. Proposed depth

6000' Ism4

20. Rotary or cable tools

Rotary

21. Elevations (Show whether DP, RT, GR, etc.)

5342' GR

22. Approx. date work will start*

Immediately upon approval of this application.

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
17-1/2"	13-3/8"	48#	120'	To surface.
12-1/4"	8-5/8"	24#	2000'	1100 sx or suffic to circ to surf
7-7/8"	5-1/2"	15.5#	6000'	400 sx or suffic to cover zones of interest.

Raymond T. Duncan proposes to drill a well to 6000' to test the Ismay formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as epr BLM and State of Utah requirements.

See Onshore Order No. 1 attached.

* Location is staked at non-standard spacing due to severe topography.

CONFIDENTIAL

RECEIVED
OCT 29 1990DIVISION OF
OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

Signed

Raymond T. Duncan

Title

Consultant for

Raymond T. Duncan

Date

10/28/90

(This space for Federal or State office use)

Permit No.

43-037-31567

Approval Date

Approved by

Title

Conditions of approval, if any:

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

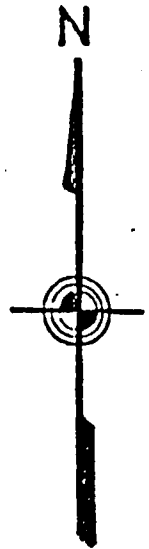
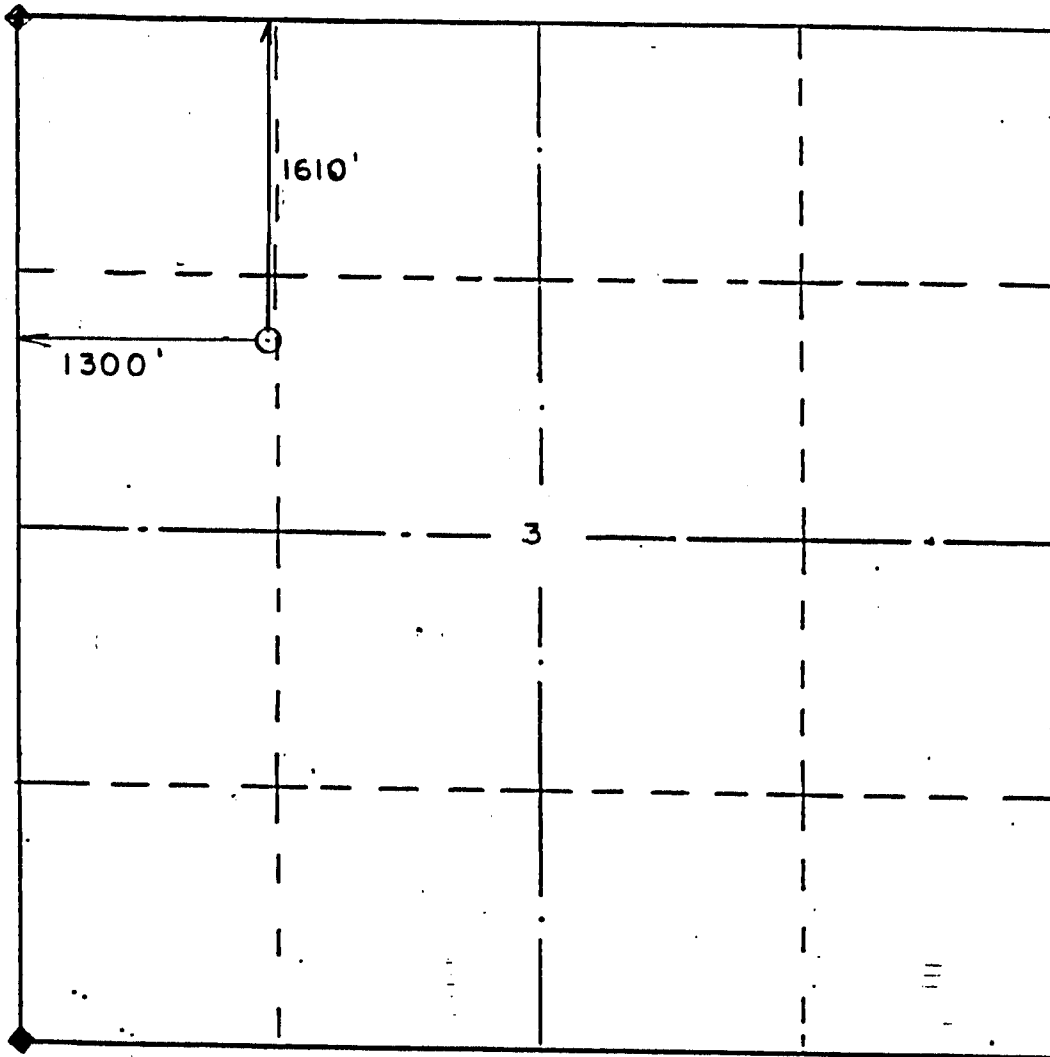
DATE:

BY:

WELL SPACING: CAVE CANYON UNIT

*See Instructions On Reverse Side

WELL LOCATION AND ACREAGE DEDICATION PLAT



1"=1000'

WELL LOCATION DESCRIPTION:

R. T. DUNCAN, Cave Canyon 12 - 3

1610'FNL & 1300'FWL

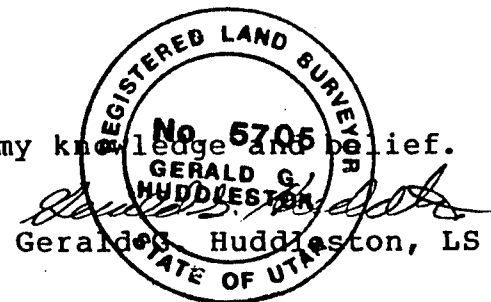
Section 3, T.38 S., R.24 E., SLM

San Juan, UT.

5342' ground elevation

The above plat is true and correct to my knowledge and belief.

21 October 1990



CONFIDENTIAL - TIGHT HOLE

ONSHORE OIL & GAS ORDER NO. 1

Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

CAVE CANYON FEDERAL #12-3
1610' FNL and 1300' FWL
Section 3, T38S - R24E
San Juan County, Utah

Prepared For:

RAYMOND T. DUNCAN

By:

PERMITCO INC.
13585 Jackson Drive
Denver, Colorado 80241
303/452-8888

Copies Sent To:

- 4 - BLM - Moab, Utah
- 1 - BLM - Monticello, Utah
- 1 - Div. of Oil, Gas & Mining - SLC, Utah
- 3 - Raymond T. Duncan - Denver, CO



Permitco Incorporated
A Petroleum Permitting Company

DUNCAN ENERGY COMPANY

PERMITCO ONE

1777 SOUTH HARRISON STREET

DENVER, COLORADO 80210-3925

TELEPHONE (303) 759-3303

FAX (303) 757-0452

October 26, 1990

U. S. Department of the Interior
Bureau of Land Management
P.O. Box 970
Moab, Utah 84532

RE: Cave Canyon #12-3
1300' FWL 1610' FNL
Section 3-T38S-R24E
San Juan County, Utah

Gentlemen:

This letter is to inform you that Permitco Inc. is authorized to act as Agent and to sign documents on behalf of Duncan Energy Company when necessary for filing County, State, and Federal permits including Onshore Order No. 1, Right-of-Way applications, etc. for the above captioned well.

It should be understood that Permitco is acting as Agent only in those matters stated above and is not responsible for drilling, completion, production or compliance with regulations.

Duncan Energy Company agrees to accept full responsibility for operations conducted in order to drill, complete and produce the above captioned well.

Sincerely,

DUNCAN ENERGY COMPANY

W. S. Fallin

W. S. Fallin
Production Manager

WSF/bw

Form 3160-3
(November 1983)
(formerly 9-331C)

CONFIDENTIAL - T HOLE

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1A. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

B. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR 303/759-3303

1777 S. Harrison St., Penthouse 1

Raymond T. Duncan

Denver, CO 80210

3. ADDRESS OF OPERATOR 303/452-8888

13585 Jackson Drive

Permitco Inc. - Agent

Denver, CO 80241

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1610' FNL and 1300' FWL

At proposed prod. zone

SW NW Sec. 3

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

32 miles southeast of Monticello, Utah

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

20'*

16. NO. OF ACRES IN LEASE

1289.44

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. approx. 900'

19. PROPOSED DEPTH

6000'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5342' GR

22. APPROX. DATE WORK WILL START*

Immediately upon approval
of this application.

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48#	120'	To surface.
12-1/4"	8-5/8"	24#	2000'	1100 sx or suffic to circ to surf.
7-7/8"	5-1/2"	15.5#	6000'	400 sx or suffic to cover zones of interest.

Raymond T. Duncan proposes to drill a well to 6000' to test the Ismay formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No. 1 attached.

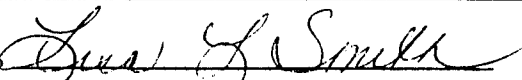
I hereby certify that Raymond T. Duncan is authorized by proper lease interest owners to conduct lease operations associated with this application. Bond coverage for lease activities is provided by the Operator, Raymond T. Duncan.

* Location has been staked at non-standard spacing due to severe topography.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED



TITLE

Consultant for
Raymond T. Duncan

DATE

10/28/90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

TABLE OF CONTENTS

DRILLING PROGRAM

Page No.

1. Formation Tops	1
2. Anticipated Depth of Oil, Gas & Water	1
3. Blow Out Preventer Requirements	2
4. Casing and Cement Program	2-3
5. Mud Program	3
6. Testing, Logging and Coring	3-4
7. Abnormal Pressures & H ₂ S Gas	4
8. Other Information & Notification Requirements	4-6

SURFACE USE PLAN

1. Existing Roads	1
2. Access Roads to be Constructed or Reconstructed	1-2
3. Location of Wells Within 1-Mile	2
4. Proposed Production Facilities	2-3
5. Water Supply	3-4
6. Construction Materials	4
7. Waste Disposal	4-5
8. Ancillary Facilities	5
9. Wellsite Layout	5
10. Reclamation	5-6
11. Surface/Mineral Ownership	6
12. Other Information	6-8
13. Certification	8-9



Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO. 1
Raymond T. Duncan
Cave Canyon Federal 12-3
1610' FNL and 1300' FWL
Section 3, T38S - R24E
San Juan County, Utah

CONFIDENTIAL-TIGHT HOLE

DRILLING PROGRAM

Page 1

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

1. The surface formation and estimated formation tops to be encountered are as follows:

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Morrison	Surface	
Entrada	810'	+4550'
Navajo	1010'	+4350'
Windgate	1440'	+3930'
Chinle	1890'	+3470'
Shinarump	2580'	+2780'
Cutler	2745'	+2615'
Hermosa	4455'	+ 905'
Upper Ismay	5730'	- 370'
Massive Anhydrite	5755'	- 395'
Mound Carbonate	5780'	- 420'
Carbonate Porosity	5785'	- 425'
Hovenweep Shale	5875'	- 515'
Lower Ismay	5915'	- 555'
Gothic Shale	5965'	- 605'
T.D.	6000'	- 640'

2. The estimated depths at which oil, gas, water or other mineral bearing zones are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Anticipated Depth</u>
Oil	Ismay	5730'



Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO. 1
Raymond T. Duncan
Cave Canyon Federal 12-3
1610' FNL and 1300' FWL
Section 3, T38S - R24E
San Juan County, Utah

CONFIDENTIAL-TIGHT HOLE

DRILLING PROGRAM

Page 2

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth cased and cemented. All oil and gas shows will be tested to determine commercial potential.

3. Pressure control equipment will consist of a 10", 3000# BOP. (See BOP Diagram attached.)

BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

4. a. Casing

If unconsolidated rock is encountered, conductor shall be set ten (10) feet into underlying bedrock with cement circulated to surface.

The proposed casing program is as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Wt.</u>	<u>Grade</u>	<u>Type</u>	<u>New or Used</u>
Conductor	0-120'	17-1/2"	13-3/8"	48#	---	---	New
Surface*	0-2000'	12-1/4"	8-5/8"	24#	K-55	ST&C	New
Produc.	0-6030'	7-7/8"	5-1/2"	15.5#	K-55	LT&C	New

Surface casing shall be set at least 50 feet into the Chinle Formation regardless of the depth of the Chinle.

b. Cement

The cementing program will be as follows:

ONSHORE ORDER NO. 1
Raymond T. Duncan
Cave Canyon Federal 12-3
1610' FNL and 1300' FWL
Section 3, T38S - R24E
San Juan County, Utah

CONFIDENTIAL-TIGHT HOLE

DRILLING PROGRAM

Page 3

<u>Conductor</u> 0-120'	<u>Type and Amount</u> Sufficient to circulate to surface
<u>Surface</u> 0-2000'	<u>Type and Amount</u> 1100 sx or sufficient to circulate to surface.
<u>Production</u>	<u>Type and Amount</u> 400 sx or - sufficient to cover zones of interest.

Anticipated cement tops will be reported as to depth, not the expected number of sacks.

c. Auxiliary Equipment will be as follows:

1. Kelly cock.
2. Float above the bit
3. A sub with a full opening valve will be on the floor when the kelly is not in use.

5. Drilling fluid will be as follows:

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-4000'	Natural	9.0-9.2	35	10-20	---
4000-T.D.	Chem. Gel	9.2-9.5	45	10 thru pays	

Operations will be conducted in accordance with ONSHORE OIL & GAS ORDER NO. 2; DRILLING OPERATIONS, except where advance approval for a variance has been obtained.

6. Coring, logging and testing programs are as follows:

- a. No cores are anticipated.
- b. The logging program will consist of the following: A DIL-SP-GR will be from from base of surface casing to T.D. A BHC-CAL-GR and CNL-LDT-CAL-GR will be run from 4200' to T.D. A GR will be run inside of surface casing.



ONSHORE ORDER NO. 1
Raymond T. Duncan
Cave Canyon Federal 12-3
1610' FNL and 1300' FWL
Section 3, T38S - R24E
San Juan County, Utah

CONFIDENTIAL-TIGHT HOLE

DRILLING PROGRAM

Page 4

- c. No drill stem tests are anticipated.

Whether the well is completed as a dry hole or as a producer, "Well Completion or Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1(b). Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Moab District Manager.

7. Abnormal conditions, bottom hole pressures and potential hazards.

- a. The maximum bottom hole pressure to be expected is 950 psi.

8. Anticipated Starting Dates and Notifications of Operations

- a. Raymond T. Duncan plans to spud the Cave Canyon Federal #12-3 immediately upon approval of this application and intends to complete the well within approximately one month after the well has reached T.D.
- b. Required verbal notifications are summarized in Table I, attached. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within twenty four (24) hours after spudding. If the spudding occurs on a weekend or holiday, the written report will be submitted on the following regular work day.
- c. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6, "Monthly Report of Operations", starting with the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with Minerals Management Service.

ONSHORE ORDER NO. 1
Raymond T. Duncan
Cave Canyon Federal 12-3
1610' FNL and 1300' FWL
Section 3, T38S - R24E
San Juan County, Utah

CONFIDENTIAL-TIGHT HOLE

DRILLING PROGRAM

Page 5

- d. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Resource Area in accordance with requirements of NTL-3A.
- e. If a replacement rig is needed for completion operations, a Sundry Notice (Form 3160-5) to that effect will be filed for prior approval from the District Office, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. In emergency situations, verbal approval to bring on a replacement rig will be approved through the District Office.
- f. Should the well be successfully completed for production, the District Manager will be notified when the well is placed in producing status. Such notification will be sent by telegram or other written communication, not later than five (5) business days following the date on which the well is placed on production.
- g. A first production conference may be scheduled within fifteen (15) days after receipt of the first production report. The Resource Area Office will coordinate the field conference.
- h. A Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Manager within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.
- i. Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office Approval pursuant to guidelines in NTL-4A.
- j. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6(d) and Onshore Oil and Gas Order No. 2.



Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO. 1
Raymond T. Duncan
Cave Canyon Federal 12-3
1610' FNL and 1300' FWL
Section 3, T38S - R24E
San Juan County, Utah

CONFIDENTIAL-TIGHT HOLE

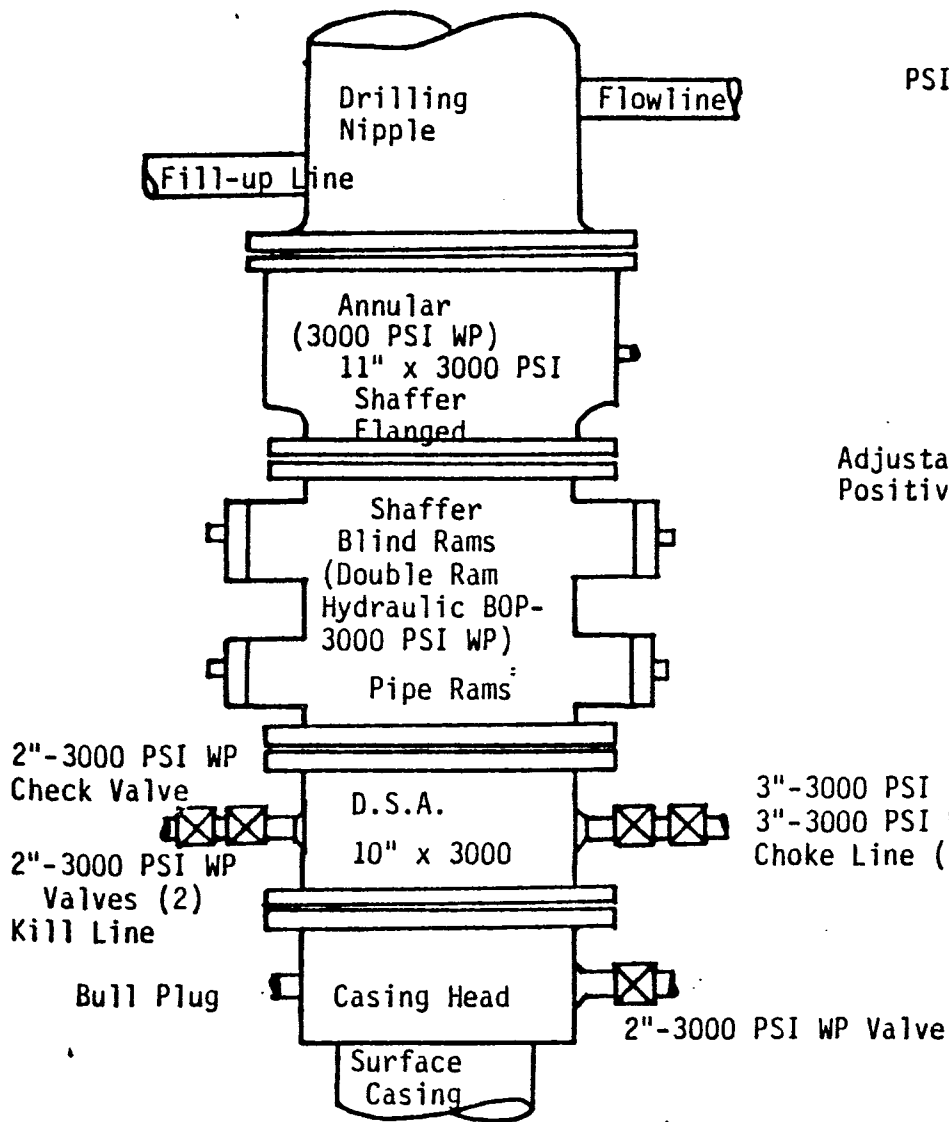
DRILLING PROGRAM

Page 6

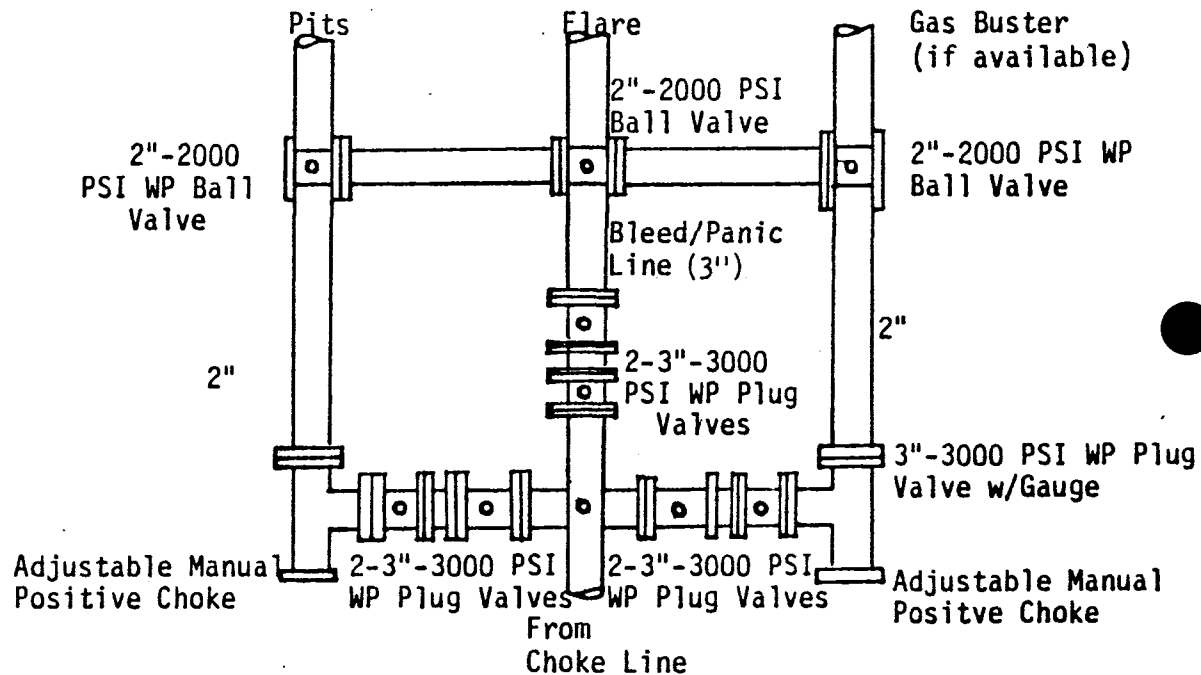
- k. The following minimum information will be permanently placed on the marker with a plate, cap, or beaded-on with a welding torch:

Well name and number, location by 1/4 1/4 section, township and range, Lease number and operator.

BOP SCHEMATIC
3000 PSI WORKING PRESSURE



PLAN VIEW CHOKE MANIFOLD



The hydraulic closing unit will be located more than 30' from the wellhead. Choke & bleed/panic lines will go to the pit and flare. All connections in choke line and manifold will be flanged or welded. All flanges should be ring joint gasket type. All turns in line shall be constructed using targeting 90° tees or block ells. All lines shall be anchored.

SURFACE USE PLAN

Page 1

Thirteen Point Surface Use Plan

1. Existing Roads

- a. The proposed well site is located 32 miles southeast of Monticello, Utah.
- b. Directions to the location from Monticello are as follows:

From the south edge of town go South on Highway 191 for 11.6 mile. Turn left (east) Alkali #204 (County Road) and proceed east and south for 3.1 miles to a fork in the road. Turn left and continue on Alkali #204 in a southeasterly direction for an additional 15 miles. Turn left (east) onto Perkins Road #206 and proceed 2.0 miles. Turn north onto an existing oilfield road and proceed approximately 1/2 mile. Turn right onto new access road (flagged) and proceed through the proposed Cave Canyon #3-4 wellpad and north and east for a total of 2000 feet to the location.
- c. The roads in the area are primarily county roads. See Map #1.
- d. Improvement to the existing access will not be necessary.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. An encroachment permit will be obtained from the San Juan County Road Department, 801/587-2231, ext. 43.

2. Planned Access Roads

- a. There will be approximately 2000 feet new access. This access was flagged at the time of staking. The road will be approximately 16 feet wide and will be flatbladed.
- b. The maximum total disturbed width will be 30 feet.



Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO. 1
Raymond T. Duncan
Cave Canyon Federal 12-3
1610' FNL and 1300' FWL
Section 3, T38S - R24E
San Juan County, Utah

Confidential - Tight Hole

SURFACE USE PLAN

Page 2

- c. The maximum grade will be 8%.
 - d. No turnouts will be necessary.
 - e. One 24" x 40' culvert will be installed at the #3-4 wellpad.
 - f. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance by the surface owner.
 - g. The access road (including any existing non-county) road will be brought to Resource (Class III) Road Standards by meeting the minimum design requirements within sixty (60) days of completion of drilling operations.
 - h. All topsoil from the access road will be reserved in place.
3. Location of Existing Wells Within a 1-Mile Radius of the Proposed Location. (See Map #1).
- a. Water Wells - one
 - b. Injection or disposal wells - one
 - c. Producing Wells - six
 - d. Drilling Wells - none
4. Location of Tank Batteries and Production Facilities.
- a. All permanent structures (onsite for six months or longer) will be painted a neutral, nonreflective, (Juniper Green) color to blend into the surrounding area, except for those required to comply with the Occupational Safety and Health Act (OSHA) or written company safety manual or documents.

ONSHORE ORDER NO. 1
Raymond T. Duncan
Cave Canyon Federal 12-3
1610' FNL and 1300' FWL
Section 3, T38S - R24E
San Juan County, Utah

Confidential - Tight Hole

SURFACE USE PLAN

Page 3

- b. If a tank battery is constructed on this location, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the largest tank; all load lines and valves will be placed inside the dike surrounding the tank battery.
- c. All site security guidelines identified in 43 CFR 3162.7-5 and ONSHORE OIL & GAS ORDER NO. 3; SITE SECURITY will be adhered to.
- d. Gas measurement will be conducted in accordance with the ONSHORE OIL & GAS ORDER NO. 5; GAS MEASUREMENT and 43 CFR 3162.7-3.
- e. Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and downstream for the remainder of the pad. Meter runs will be housed and/or fenced.
- f. Oil measurement will be conducted in accordance with ONSHORE OIL & GAS ORDER NO. 4; OIL MEASUREMENT as of the effective date of August 23, 1989 and 43 CFR 3162.7-2.
- g. If the well is productive, the production facilities will be located at a central tank battery located at the Cave Canyon #3-2 in the NE SW Section 3, T38S - R24E, San Juan County, Utah.
- h. Any necessary pits will be properly fenced to prevent any wildlife entry. The production pit will be flagged overhead.

5. Location and Type of Water Supply

- a. All water needed for drilling purposes will be obtained from the Cave Canyon Water Source well located approximately 80 feet SW of the Cave Canyon #3-2 producing well. Other water may be obtained from the Richard Gore Artesian wells.
- b. Water will be trucked to location over the county roads in the area.

ONSHORE ORDER NO. 1
Raymond T. Duncan
Cave Canyon Federal 12-3
1610' FNL and 1300' FWL
Section 3, T38S - R24E
San Juan County, Utah

Confidential - Tight Hole

SURFACE USE PLAN

Page 4

- c. No water well is to be drilled on this lease.
 - d. Use of water for this operation will approved by obtaining a temporary use permit from the Utah State Engineer, in Price, Utah, 801/637-1303.
 - e. Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.
6. Source of Construction Material
- a. Road surfacing material will be obtained from on-site and in place materials.
 - b. The use of materials under BIM jurisdiction will conform to 43 CFR 3610.
7. Methods for Handling Waste Disposal
- a. The reserve pit will be constructed with at least 1/2 of the capacity in cut material and will be lined with 24 tons of bentonite.
 - b. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operations cease with four (4) strands of barbed wire, or woven wire topped with barbed wire to a height of not less than four (4) feet. The fence will be kept in good repair while the pit is drying.
 - c. No liquid hydrocarbons (i.e. fuels, lubricants, formation) will be discharged to the reserve pit.
 - d. No chrome compounds will be on location.
 - e. All trash will be placed in a trash basket and hauled to a county refuge facility as necessary. No burning will be allowed.

SURFACE USE PLAN

Page 5

- f. Produced waste water will be confined to the reserve pit for a period not to exceed ninety (90) days after initial production. During the 90-day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to NTL-2B.

8. Ancillary Facilities

- a. There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. Well Site Layout

- a. See Diagram #1 for rig layout. See Diagram #2 for cross section of drill pad. See Diagram #3 for cuts and fills.
- b. The location of mud tanks; reserve, trash cage; pipe racks; living facilities and soil stockpiles will be shown on Diagrams #1 and #3. The location will be laid out and constructed as discussed during the predrill conference.
- c. Topsoil from the location will be stored on the uphill side of the location furnishing a water berm. Topsoil from the reserve pit will be placed north of the pit.
- d. Access to the well pad will be as shown on Map #1.

10. Reclamation

- a. Within 24 hours of completion of drilling, the location and surrounding area will be cleared of all remaining debris, materials, and junk not required for production.
- b. As soon as the reserve pit has dried or within eighteen (18) months whichever is least, all areas not needed for production (including access road) will be filled in, recontoured to approximately natural contours and as much topsoil as was

SURFACE USE PLAN

Page 6

removed, will be replaced leaving enough for future restoration (unless the well is a dry hole). The remaining topsoil (if any) will be stableized and seeded in place. If the well is a dry hole, the location and access road will be rehabilitated in total.

- c. The area will be seeded between October 1 and February 28 with:

8 lbs/acre Crested wheatgrass
6 lbs/acre Fourwing saltbush
2 lbs/acre Forage Kochia
5 lbs/acre Bottlebrush squirreltail

Seed will be broadcast followed by a light harrowing. If the seed is drilled, the seeding rate may be 75% of the above rates.

- d. Water control measures (i.e. contour furrowing, waterbars, etc.) may be needed at the time of reclamation if required by the A.O.
- e. The reserve pit and that portion of the location and access road not needed for production and production facilities will be reclaimed.
11. a. Surface Ownership
Bureau of Land Management
- b. Mineral Ownership
Bureau of Land Management
12. Other Information
- a. There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling producing, suspended, or abandoned and/or separate facilities, will be identified in accordance with 43 CFR 3162.6.

SURFACE USE PLAN

Page 7

- b. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.6.
- c. The dirt contractor will be provided with an approved copy of the surface use plan.
- d. An archeological study was conducted by LaPlata Archaeological Consultants. No significant cultural resources were found and clearance is recommended. One site was previously recorded and will be avoided by the access route. A copy of this report will be submitted directly by LaPlata Archeological Consultants.
- e. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:
 - whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
 - a timeframe for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.
- f. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of



Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO. 1
Raymond T. Duncan
Cave Canyon Federal 12-3
1610' FNL and 1300' FWL
Section 3, T38S - R24E
San Juan County, Utah

Confidential - Tight Hole

SURFACE USE PLAN

Page 8

mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

- g. This permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.
- h. If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligation determined by the authorized officer.
- i. Be advised that Raymond T. Duncan is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.
- j. Bond coverage for this well is provided by BLM Bond UT0271 (Principal - Raymond T. Duncan) via surety consent as provided for in CFR 3104.3.

13. Lessee's or Operator's Representative and Certification

Permit Matters
PERMITCO INC.
Lisa L. Smith
13585 Jackson Drive
Denver, CO 80241
303/452-8888

Drilling & Completion Matters
RAYMOND T. DUNCAN
1777 S. Harrison St.
Penthouse One
Denver, CO 80210
303/759-3303 (W) -
303/733-3604 (H) - John Bettridge

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the



ONSHORE ORDER NO. 1
Raymond T. Duncan
Cave Canyon Federal 12-3
1610' FNL and 1300' FWL
Section 3, T38S - R24E
San Juan County, Utah

Confidential - Tight Hole


SURFACE USE PLAN

Page 9

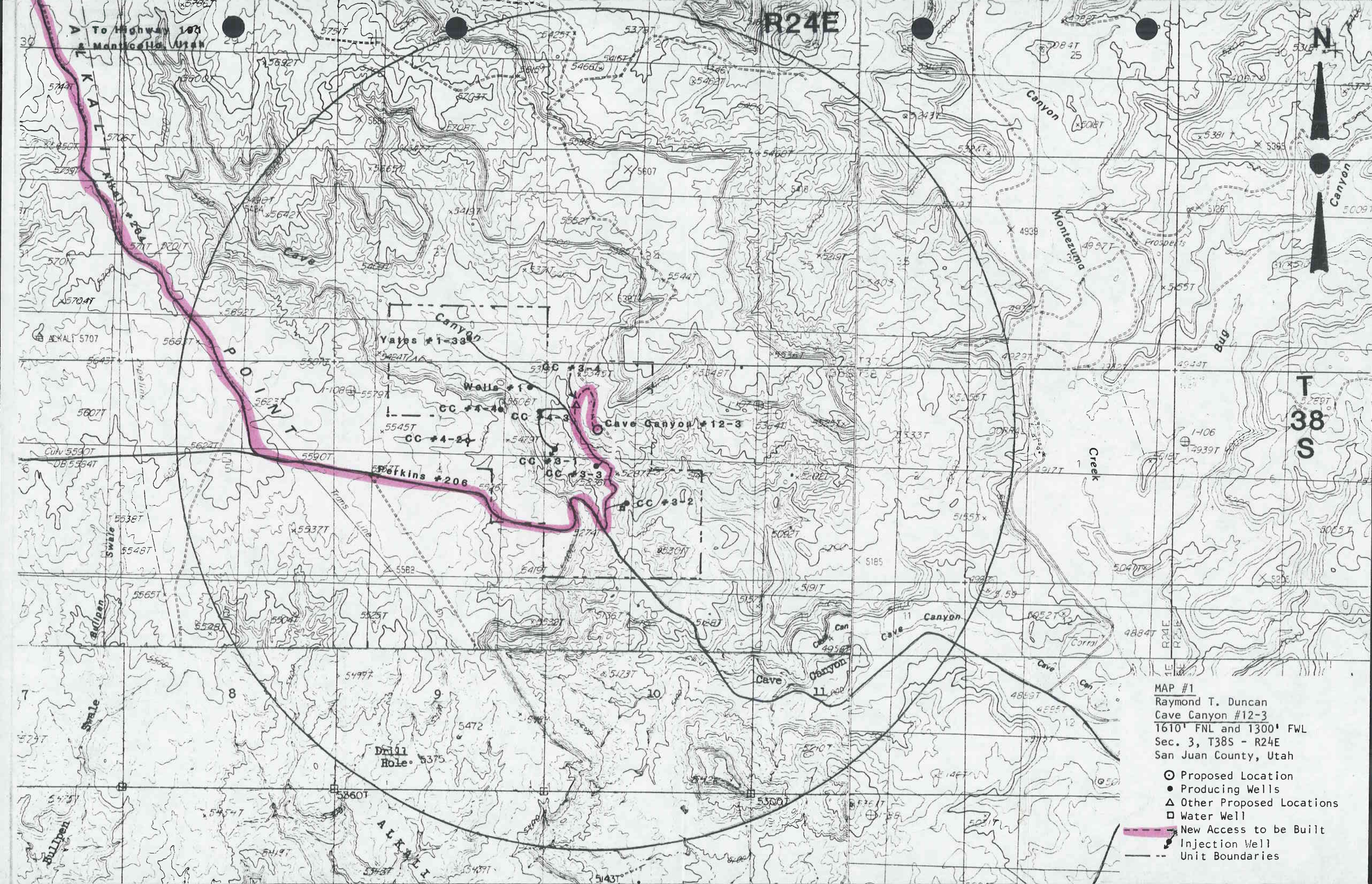
statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Raymond T. Duncan and its contractors and subcontractors in conformity with the plan and the term and conditions under which it is approved.

This statement is subject to the provision of 18 U.S.C. 1001 for the filing of a false statement.

October 28, 1990
Date:



Lisa L. Smith - PERMITCO INC.
Authorized Agent for:
RAYMOND T. DUNCAN



MAP #1
Raymond T. Duncan
Cave Canyon #12-3
1610' FNL and 1300' FWL
Sec. 3, T38S - R24E
San Juan County, Utah

- Proposed Location
- Producing Wells
- △ Other Proposed Locations
- Water Well
- New Access to be Built
- Injection Well
- Unit Boundaries

Scale 1" = 50'

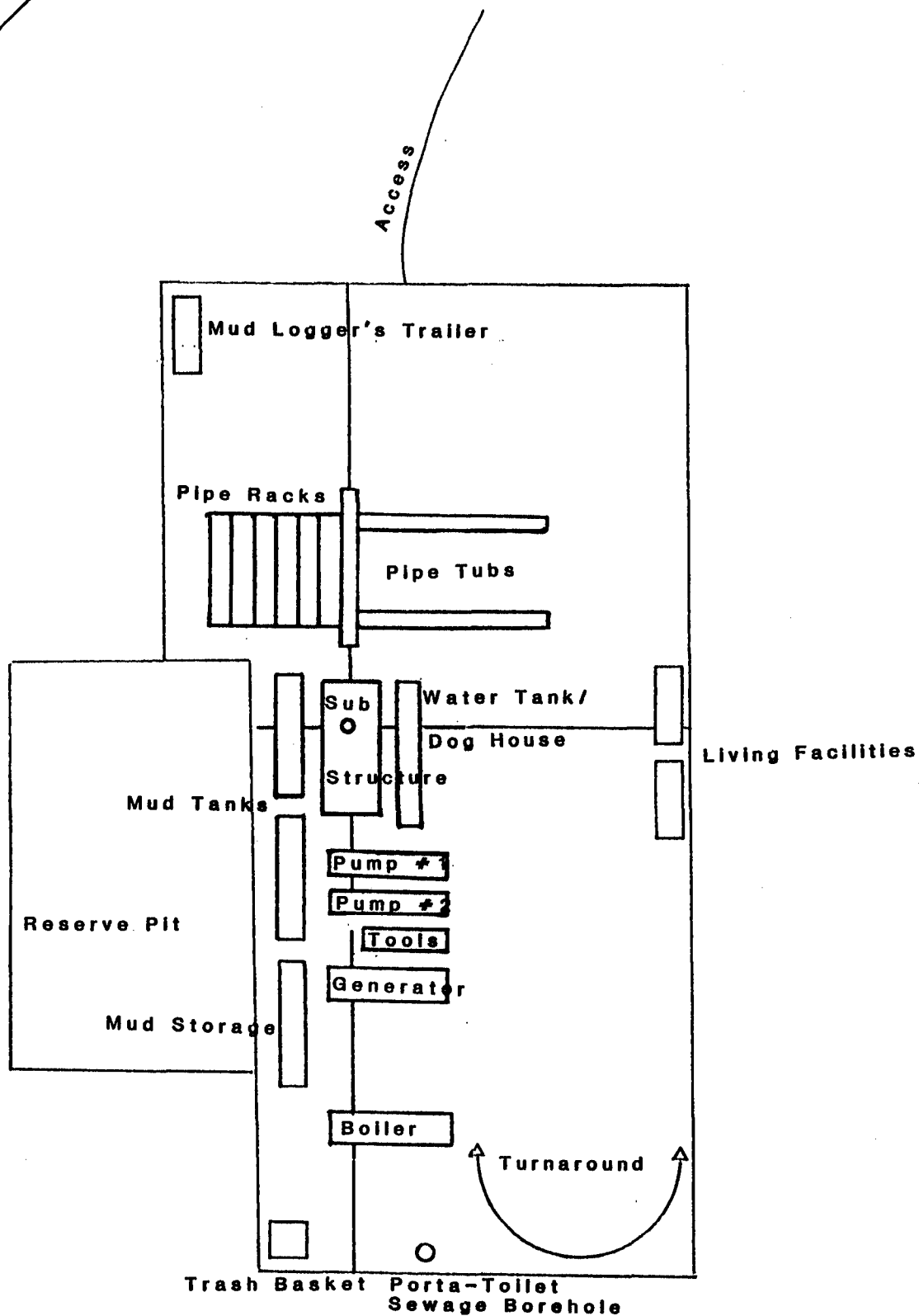
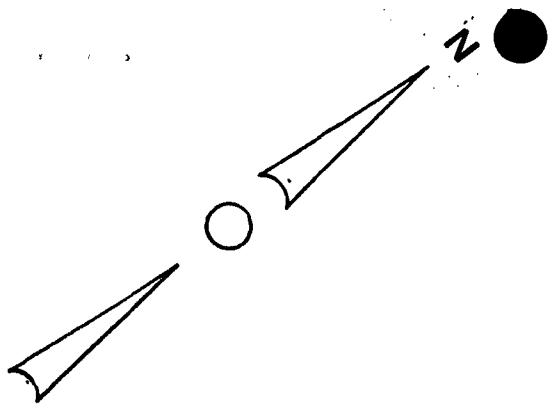



DIAGRAM #1
Raymond T. Duncan
Cave Canyon #12-3
1610' FNL and 1300' FWL
Sec. 3, T38S - R24E
San Juan County, Utah

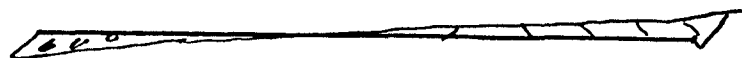
Cut ////
Fill 

Cross Section

DIAGRAM #2

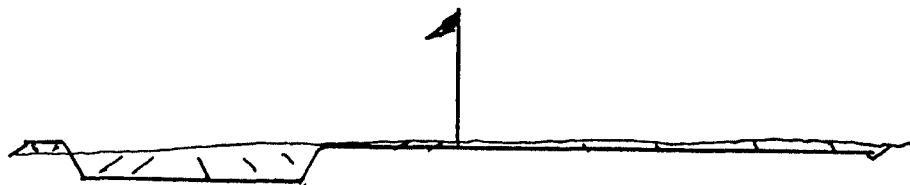
Cave Canyon 12 - 3

1"=50' Horz. & Vert.



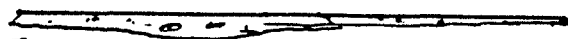
c

c'



b

b'

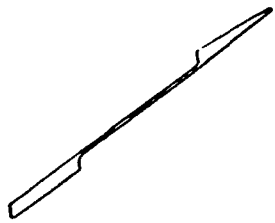


a

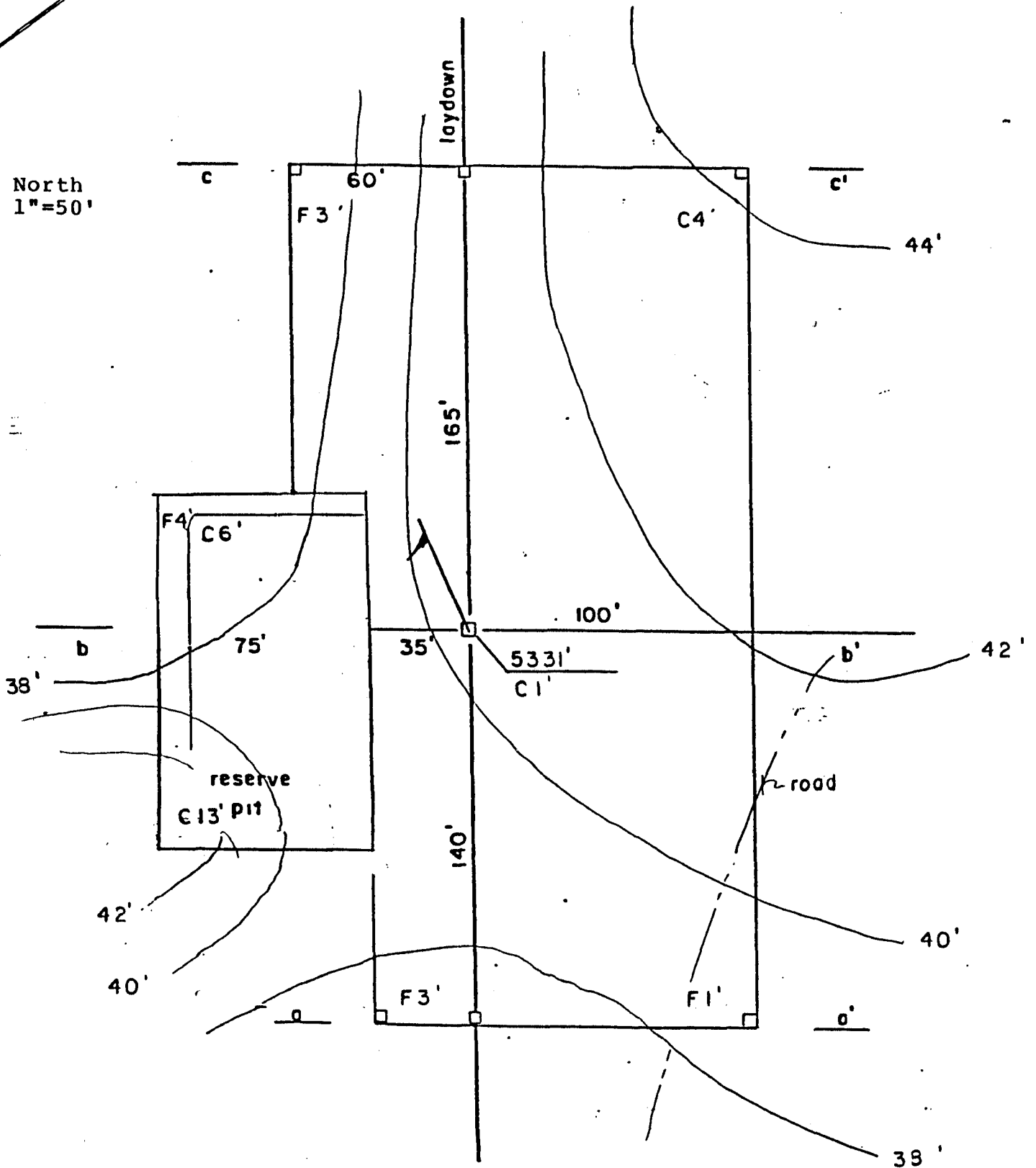
a'

Plan View Sketch

DIAGRAM #3
Cave Canyon 12 - 3



North
1"=50'



FILING FOR WATER IN THE STATE OF UTAH

Rec. by _____

Fee Rec. _____

Receipt # _____

Microfilmed _____

Roll # _____

APPLICATION TO APPROPRIATE WATER

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Title 73, Chapter 3 of the Utah Code Annotated (1953, as amended).

* WATER RIGHT NO. _____

* APPLICATION NO. A

1. *PRIORITY OF RIGHT: _____ * FILING DATE: _____

2. OWNER INFORMATION

Name(s): Raymond T. Duncan * Interest: 100 %

Address: 1777 S. Harrison Street, Suite PH 1

City: Denver, State: CO Zip Code: 80210

Is the land owned by the applicant? Yes _____ No XX

(If "No", please explain in EXPLANATORY section.)

3. QUANTITY OF WATER: _____ ~~cfs~~ and/or 5 ac-ft

4. SOURCE: Cave Canyon Water Source Well DRAINAGE: _____

which is tributary to _____ No. 1

which is tributary to _____

POINT(S) OF DIVERSION: _____ COUNTY: San Juan

North 1870 feet and East 1870 feet from the Southwest corner of Section 3,

T38S - R24E, SLB&M

Description of Diverting Works: 7" casing 3120 deep

* COMMON DESCRIPTION: _____

5. POINT(S) OF REDIVERSION

The water will be rediverted from _____ at a point:

Description of Rediverting Works: _____

6. POINT(S) OF RETURN

The amount of water consumed will be _____ cfs or _____ ac-ft

The amount of water returned will be _____ cfs or _____ ac-ft

The water will be returned to the natural stream/source at a point(s): _____

7. STORAGE

Reservoir Name: _____ Storage Period: from _____ to _____

Capacity: _____ ac-ft. Inundated Area: _____ acres

Height of dam: _____ feet

Legal description of inundated area by 40 acre tract(s): _____

* These items are to be completed by the Division of Water Rights

Appropriate

8. List any other water rights which will supplement this application _____

9. NATURE AND PERIOD OF USE

Irrigation: _____ From _____ to _____
Stockwatering: _____ From _____ to _____
Domestic: _____ From _____ to _____
Municipal: _____ From _____ to _____
Mining: _____ From _____ to _____
Power: _____ From _____ to _____
Other: Oil Well Drilling From Nov. 30, 1990 to November 30, 1991

10. PURPOSE AND EXTENT OF USE

Irrigation: _____ acres. Sole supply of _____ acres.
Stockwatering (number and kind): _____
Domestic: _____ Families and/or _____ Persons
Municipal (name): _____
Mining: _____ Mining District in the _____ Mine
Ores mined: _____
Power: Plant name: _____ Type: _____ Capacity: _____
Other (describe): Raymond T. Duncan plans to drill two oil wells in the Cave Canyon
Lease Waterflood Project

11. PLACE OF USE


Legal description of place of use by 40 acre tract(s): _____

Cave Canyon #12-3 SW NW (1610' FNL and 1300' FWL) Sec. 3, T38S - R24E
Cave Canyon #13-3 NW SW (2220' FSL and 930' FWL) Sec. 3, T38S - R24E

12. EXPLANATORY

The following is set forth to define more clearly the full purpose of this application. (Use additional pages of same size if necessary): Duncan proposes to drill two development oil wells as part of the Cave Canyon Lease Waterflood project. Water use to drill each well will be approximately 10,000 BW. Water will be trucked to each drillsite by enclosed pump truck with a capacity of 80-100 bbls. The surface at each drillsite is owned by the Bureau of Land Management, the minerals are owned by the Federal Government and the extration rights to the Federal leases are owned by Raymond T. Duncan

The applicant(s) hereby acknowledges that he/she/they are a citizen(s) of the United States of America or intends to become such a citizen(s). The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purposes herein described. The undersigned hereby acknowledges that even though he/she/they may have been assisted in the preparation of the above-numbered application through the courtesy of the employees of the Division of Water Rights, all responsibility for the accuracy of the information contained herein, at the time of filing, rests with the applicant(s).


Signature of Applicant(s)
Lisa L. Smith
Agent for:
Raymond T. Duncan

FILING FOR WATER IN THE STATE OF UTAH

APPLICATION TO APPROPRIATE WATER

Rec. by _____
Fee Rec. _____
Receipt # _____
Microfilmed _____
Roll # _____

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Title 73, Chapter 3 of the Utah Code Annotated (1953, as amended).

* WATER RIGHT NO. _____

* APPLICATION NO. A

1. *PRIORITY OF RIGHT: _____ * FILING DATE: _____

2. OWNER INFORMATION

Name(s): Raymond T. Duncan * Interest: _____%

Address: 1777 S. Harrison St., Penthouse 1

City: Denver, State: CO Zip Code: 80210

Is the land owned by the applicant? Yes _____ No XX

(If "No", please explain in EXPLANATORY section.)

3. QUANTITY OF WATER: XX cfs and/or 5 ac-ft

4. SOURCE: Artesian Well * DRAINAGE: _____

which is tributary to _____

which is tributary to _____

POINT(S) OF DIVERSION: _____ COUNTY: San Juan

N 531' and E 1810' from West 1/4 1/4 of Section 1, T38S - R24E

(Permit No. 09-156) - Richard Gore

Description of Diverting Works: Enclosed pump truck w/the capacity of 80-100 bbls.

* COMMON DESCRIPTION: _____

5. POINT(S) OF REDIVERSION

The water will be rediverted from N/A at a point:

Description of Rediverting Works: N/A

6. POINT(S) OF RETURN

The amount of water consumed will be _____ cfs or 5 ac-ft

The amount of water returned will be _____ cfs or 0 ac-ft

The water will be returned to the natural stream/source at a point(s): N/A

7. STORAGE

Reservoir Name: N/A Storage Period: from _____ to _____

Capacity: N/A ac-ft. Inundated Area: _____ acres

Height of dam: N/A feet

Legal description of inundated area by 40 acre tract(s): _____

* These items are to be completed by the Division of Water Rights

Appropriate

8. List any other water rights which will supplement this application None will be used by
Raymond T. Duncan

9. NATURE AND PERIOD OF USE

Irrigation:	From _____ to _____
Stockwatering:	From _____ to _____
Domestic:	From _____ to _____
Municipal:	From _____ to _____
Mining:	From _____ to _____
Power:	From _____ to _____
Other: Oil well drilling	From <u>11/30/90</u> to <u>11/30/91</u>

10. PURPOSE AND EXTENT OF USE

Irrigation: _____ acres. Sole supply of _____ acres.
Stockwatering (number and kind): _____
Domestic: _____ Families and/or _____ Persons
Municipal (name): _____
Mining: _____ Mining District in the _____ Mine
Ores mined: _____
Power: Plant name: _____ Type: _____ Capacity: _____
Other (describe): Oil & Gas Well Drilling

11. PLACE OF USE

Legal description of place of use by 40 acre tract(s): _____


Cave Canyon Fed. #12-3 SW NW (1610' FNL and 1300' FWL) Sec. 3, T38S - R24E
Cave Canyon Fed. #13-3 NW SW (2220' FSL and 930' FWL) Sec. 3, T38S - R24E

12. EXPLANATORY

The following is set forth to define more clearly the full purpose of this application. (Use additional pages of same size if necessary): _____

The surface at the drillsite is owned by the Bureau of Land Management, the
minerals are owned by the Federal Government and the extration rights to
Federal Lease No. U-47876 are owned by Raymond T. Duncan

The applicant(s) hereby acknowledges that he/she/they are a citizen(s) of the United States of America or intends to become such a citizen(s). The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purposes herein described. The undersigned hereby acknowledges that even though he/she/they may have been assisted in the preparation of the above-numbered application through the courtesy of the employees of the Division of Water Rights, all responsibility for the accuracy of the information contained herein, at the time of filing, rests with the applicant(s).


Signature of Applicant(s)
Lisa L. Smith
Agent for Raymond T. Duncan

Application for Right-of-Way Encroachment Permit

DATE: October 28, 1990TO: Road Supervisor
San Juan County Road DepartmentApplication is hereby made by: (1) Raymond T. Duncan c/o PERMITCO INC.Address (2) 13585 Jackson Drive Denver, CO 80241Telephone Number: 303/452-8888 for permission to do the following:(3) Utilize existing County Road - primarily Alkali #204 and Perkins #206.In addition, we request permission to construct an access approach in
Section 3, T38S - R24E, off of Perkins #206 as shown on the attached map.(4) Location: Sec. 3, T38S - R24ECity _____ County San Juan State Utahor U. S. Highway No. N/A Milepost No. N/A

in accordance with the attached plan. (5)

(6) Construction will begin on or about November 25 19 90and will be completed on or before November 25 19 91

If the proposed installation requires breaking of the pavement, give the following information:

a. Type of pavement: N/Ab. The opening to be made will be N/A feet long
by _____ feet wide and _____ feet deep.c. A bond in the amount of \$ N/A has been posted with
_____ Telephone No. _____

to run of a term of three (3) years after completion of work to guarantee satisfactory performance.

(7) If this permit is granted, we agree to comply with all conditions, restriction, and regulations as contained in the "Regulations for the Control and Protection of State Highway Rights-of-Way", approved by the Utah State Road Commission on October 8, 1962, and all revisions thereto or Regulations adopted by the San Juan County Commission.

(8) In approving this application and locations of utilities, and effort will be made to approve only locations that will not be effected in the event that San Juan County changes the roadway. But, in situations in which the utility has to be moved, this moving shall be done by the utility company or paid for by the company.

(9) For any and all applications requesting authority to Vibroseise, applicants shall:

- Provide map showing where vibroseising will take place.
- Agree to repair any damages or replace any property damaged.
- Take full responsibility or proper flagging and traffic control.

d. Agree that Vibroseising done in the area of dirt roads shall be done on the dirt road rather than in the bar ditch to minimize damage.

e. Provide a schedule of the planned work and estimated dates of completion.

f. Attach written permission form all adjacent fee-title owners.

g. The San Juan County Commission has authorized the San Juan County Road Superintendent (or his Assignees) to issue permits.

(10) San Juan County can only grant permission to the extent that the County has the authority to do so and the permission granted hereunder is limited to the interest of authority actually owned by San Juan County and no warranties of ownership or authority to grant permission is expressed or implied by the granting of this permit.


BY: Lisa L. Smith

Consultant for RAYMOND T. DUNCAN
TITLE

To be filled in by Road Supervisor.

(1) Permit should be granted _____

Permit should not be granted _____

(2) Additional requirements which should be imposed.

ROAD SUPERVISOR

INSTRUCTIONS

(1) *Application for this permit should be made in duplicate by whoever will actually do the work whether it be the owner or a contractor.

(2) Mailing address of applicant.

(3) State fully and completely the type or installation, type of construction, width, thickness, drainage data, etc., where applicable. If pole line, give the following information: number of poles, total length of line, type of wire, character of service, vertical clearance over roadway, and voltage of power line.

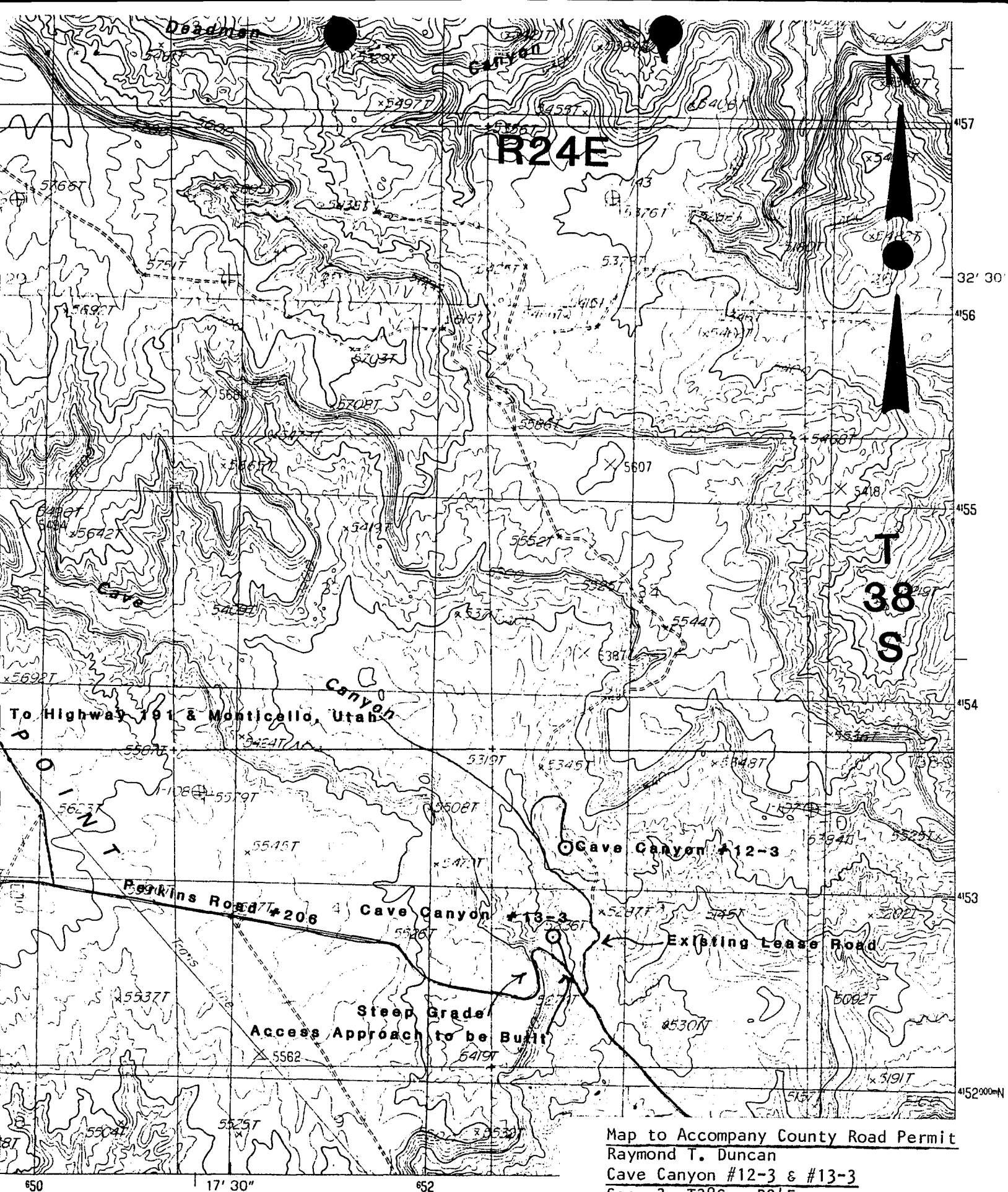
(4) If pipe line or buried cable, give the following information: Type of service, size and length of line, depth of trench, kind of pipe, (sewer, gas, oil, water supply, etc.) or conduit, and if pipe is to be driven or if pavement will be broken. All fluid lines requires encasement with suitable material. The size and length of encasement shall be satisfactory to the State Department of Transportation, San Juan County Road Supervisor or his agent.

(5) Give distance from some geographical point such as intersecting highways, city, or corporate limits. Give city, county, and state or U. S. route number.

(6) Attach two (2) copies of a plan showing proposed location of structures with reference to pavement and right-of-way lines. If installation crosses the highway, show cross section of present roadway and proposed installation.

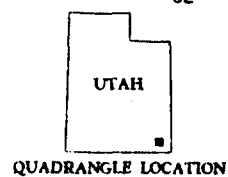
(7) Give anticipated dates for beginning and for completion of proposed installation.

Note: A fee of five (5) dollars will be charged for all Right-of-Way Encroachments Permits, except those obtained for pole lines, and buried cable lines. This Permit fee, where applicable, should be submitted with the application. The costs of inspection are included in the Right-of-Way Encroachment Permit fee, except for pole lines, pipe lines, and buried cable lines which shall be billed for the inspection.



Map to Accompany County Road Permit
 Raymond T. Duncan
 Cave Canyon #12-3 & #13-3
 Sec. 3, T38S - R24E
 San Juan County, Utah

○ Proposed Wellsites
 — Proposed Access Roads



CONFIDENTIAL

OPERATOR Raymond J Durcan N-0360 DATE 10-31-90

WELL NAME Cable Canyon tidal 10-3

SEC SWW 3 T 38S R 04E COUNTY San Juan

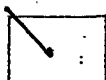
43-037-31507

API NUMBER

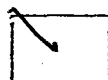
tidal (1)

TYPE OF LEASE

CHECK OFF:



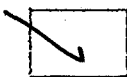
PLAT.



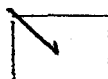
BOND



NEAREST
WELL



LEASE



FIELD

GLDM



POTASH OR
OIL SHALE

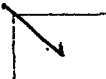
PROCESSING COMMENTS:

P.O.D. eff. 1-1-90

Water Permit 09-1709 (T 64805)

APPROVAL LETTER:

SPACING:



R615-2-3

Cable Canyon
UNIT



R615-3-2



N/A

CAUSE NO. & DATE



R615-3-3

STIPULATIONS:

CONFIDENTIAL
PERIOD
EXPIRED
ON 1-24-90



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

November 5, 1990

Raymond T. Duncan
1777 S. Harrison St., PH #1
Denver, Colorado 80210

Gentlemen:

Re: Cave Canyon Fed. 12-3 - SW NW Sec. 3, T. 38S, R. 24E - San Juan County, Utah
- 1610' FNL, 1300' FWL

Approval to drill the referenced well is hereby granted in accordance with Section 40-6-18, Utah Code Annotated, as amended 1983; and predicated on Rule R615-2-3, Oil and Gas Conservation General Rules.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form 7.
4. Prompt notification if it is necessary to plug and abandon the well. Notify R. J. Firth, Associate Director, (Office) (801) 538-5340, (Home) 571-6068, or Jim Thompson, Lead Inspector, (Home) 298-9318.
5. Compliance with the requirements of Rule R615-3-20, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

Page 2
Raymond T. Duncan
Cave Canyon Fed. 12-3
November 5, 1990

6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 538-6121.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-037-31567.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

tas
Enclosures
cc: Bureau of Land Management
J. L. Thompson
we14/1-2

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1A. TYPE OF WORK DRILL <input checked="" type="checkbox"/> , DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-47876	
B. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
2. NAME OF OPERATOR 303/759-3303 1777 S. Harrison St., Penthouse 1 Raymond T. Duncan Denver, CO 80210		7. UNIT AGREEMENT NAME Cave Canyon Unit	
3. ADDRESS OF OPERATOR 303/452-8888 13585 Jackson Drive Permitco Inc. - Agent Denver, CO 80241		8. FARM OR LEASE NAME Cave Canyon Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1610' FNL and 1300' FWL At proposed prod. zone SW NW Sec. 3		9. WELL NO. #12-3	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 32 miles southeast of Monticello, Utah		10. FIELD AND POOL, OR WILDCAT Cave Canyon Field	
10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 20'*		11. SEC., T., R., E., OR BLK. AND SURVEY OR AREA Sec. 3, T38S - R24E	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. approx. 900'		12. COUNTY OR PARISH 13. STATE San Juan Utah	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5342' GR		17. NO. OF ACRES ASSIGNED TO THIS WELL 40	
23. PROPOSED CASING AND CEMENTING PROGRAM		19. PROPOSED DEPTH 6000'	
20. ROTARY OR CABLE TOOLS Rotary		22. APPROX. DATE WORK WILL START* Immediately upon approval of this application.	
SIZE OF HOLE 17-1/2"		SIZE OF CASING 13-3/8"	
WEIGHT PER FOOT 48#		SETTING DEPTH 120'	
QUANTITY OF CEMENT To surface.			

CONFIDENTIAL

RECEIVED
NOV 27 1990

DIVISION OF
OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Raymond T. Duncan TITLE Consultant for Raymond T. Duncan DATE 10/28/90
(This space for Federal or State office use)

PERMIT NO. /S/ WILLIAM C. STRINGER Assistant District Manager for Minerals DATE NOV 21 1990
APPROVED BY TITLE DATE
CONDITIONS OF APPROVAL, IF ANY:

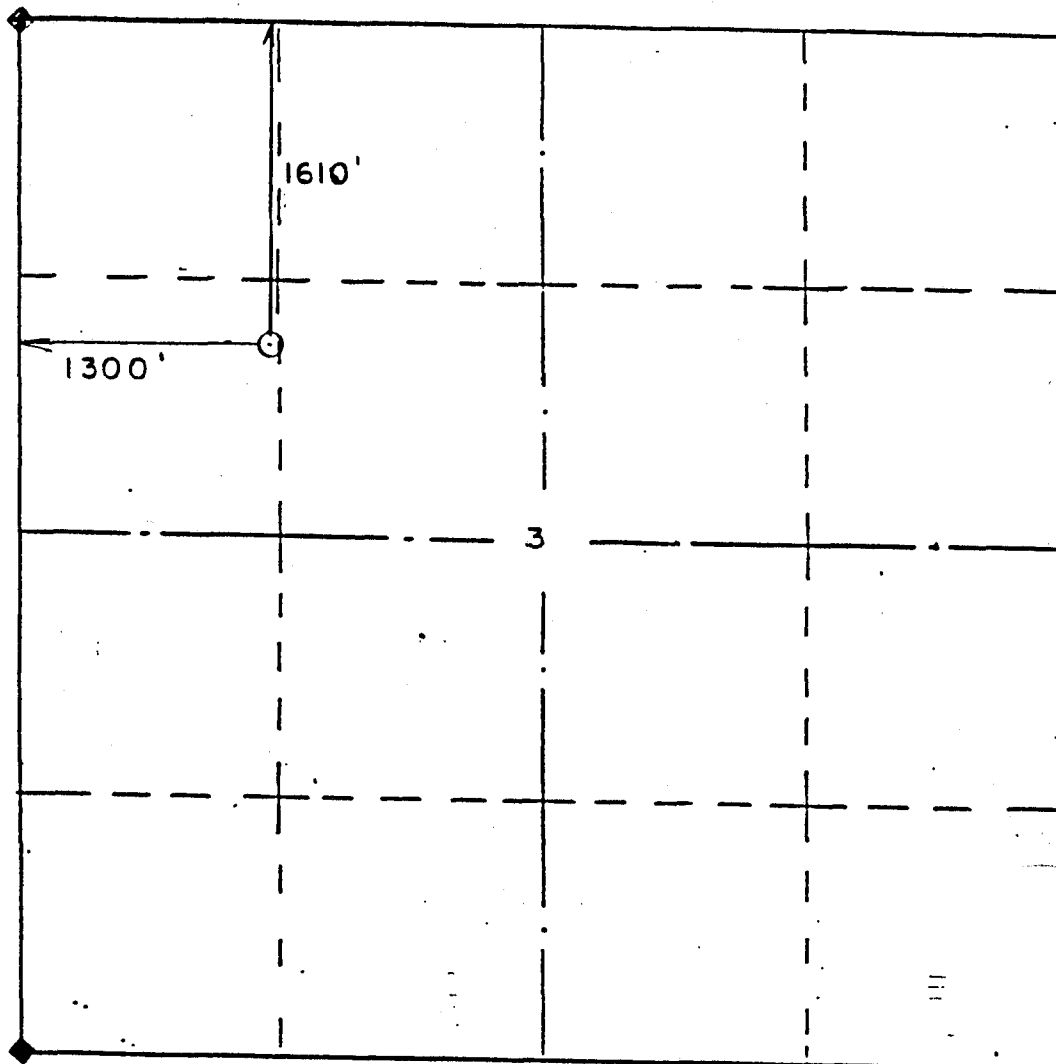
FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A
1/1/80

CONDITIONS OF APPROVAL ATTACHED

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

WELL LOCATION AND ACREAGE DEDICATION PLAT

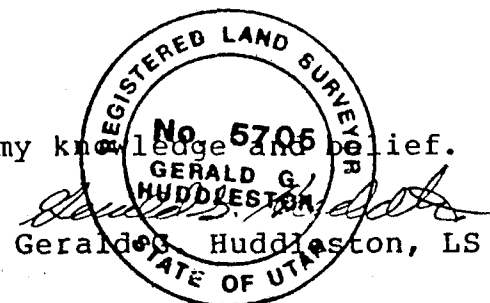


WELL LOCATION DESCRIPTION:

R. T. DUNCAN, Cave Canyon 12 - 3
 1610'FNL & 1300'FWL
 Section 3, T.38 S., R.24 E., SLM
 San Juan, UT.
 5342' ground elevation

The above plat is true and correct to my knowledge and belief.

21 October 1990



Raymond T. Duncan
Well No. Federal 12-3
SWNW Sec. 3, T. 38 S., R. 24 E.
San Juan County, Utah
Lease U-47876

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Raymond T. Duncan is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by WY0271 (Principal - Raymond T. Duncan) via surety consent as provided for in 43 CFR 3104.3.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

A. DRILLING PROGRAM

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Order 1, Onshore Oil and Gas Order No. 2 and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to the field representative to insure compliance.

Surface casing shall have a centralizer on each of the bottom three joints. (This approval condition is required until Onshore Oil and Gas Order No. 2 is revised/corrected.)

B. Stipulations

1. Human waste will be disposed of in 20 foot deep ratholes under camper trailers, or chemical toilets. Ratholes will be immediately filled when the trailers are removed.

The following stipulations were proposed by Raymond T Duncan in the APD.

1. All operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100, Onshore Oil and Gas Orders, and the approved plan of operations (Application for Permit to Drill)).
2. Approximately 2000 feet of new road, 16 feet of flat bladed width will be constructed. The topsoil from the access road will be reserved it place. The access road will be rehabilitated or brought to BLM Resource (Class III) Road Standards within sixty (60) days of completion of drilling operations.
3. One 24" x 40' culvert will be installed at the #3-4 wellpad.
4. The reserve pit will be constructed with at least 1/2 of the capacity in cut material. The pit will be lined with 24 tons of bentonite. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operations cease with four (4) strand of barbed wire, or woven wire topped with barbed wire to a height of not less than four (4) feet. Produced water will be confined to the reserve pit for a period not to exceed 90 days after initial production. During the 90 day period an NTL-2B application will be submitted for BLM's approval of a permanent disposall method and site.
5. Topsoil from the location will be stored on the uphill side of the location furnishing a water berm. Topsoil from the reserve pit will be placed north of the pit.
6. All above ground structures and equipment will be painted with a neutral Juniper green color.

7. If a tank battery is constructed on this location, it will be surrounded by a dike of sufficient capacity to contain 150 percent of the storage capacity of the largest tank in the battery. All load lines will be placed inside the dike.
8. Gas meter run will be within 500 feet of the wellhead. Gas flowline will be buried from the wellhead to the meter and downstream for the remainder of the pad. Meters will be housed or fenced.
9. The topsoil from the access roads will be reserved in place.
10. No liquid hydrocarbons (i.e., fuels, lubricants, formation) will be discharged to the reserve pit.
11. No chrome compounds will be on location.
12. All potable water encountered will be reported to BLM, stating amounts and depths.
13. All trash will be placed in a trash basket and hauled to a county refuse facility as necessary. There will be no burning of trash on the location.
14. Plans for restoration of the surface:
 - A. Within 24 hours of completion of drilling, the location and surrounding area will be cleared of all equipment, debris, materials, and junk not required for production.
 - B. As soon as the reserve pit has dried all areas not needed for production (including access road) will be filled in, recontoured to approximate natural contours and as much top soil as was removed replaced leaving enough for future restoration if needed.
 - C. The area will be seeded between October 1 and February 28 with the indicated species and amounts as below:

8 lbs/acre	crested wheatgrass
6 lbs/acre	fourwing saltbush
2 lbs/acre	forage kochia
5 lbs/acre	bottlebrush squirreltail
 - D. Seed will be broadcast followed by a light harrowing. If the seed is drilled, the recommended seed mix can be applied at 75 percent of the recommended rate. The seeding rate is for pure live seed.
 - E. Water control measures (i.e. contour furrowing, waterbars, etc.) may be required at the time of reclamation if required by the authorized officer.

15. There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned and/or separate facilities, will be identified in accordance with 43 CFR 3162.6.
16. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.6.
17. The dirt contractor will be provided with an approved copy of the surface use plan.
18. An archeological study was conducted by LaPlata Archeological Consultants. No significant cultural resources were found and clearance is recommended.
19. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:
 - whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
 - a timeframe for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

20. This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.
21. If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligation determined by the AO.
22. In order to protect important deer winter range, exploration, drilling, and other development activity will be allowed only during the period from April 1 to November 30. This limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation in any year may be specifically authorized in writing by the District Engineer, Geological Survey, with the concurrence of the District Manager, Bureau of Land Management.

NOTIFICATIONS

Notify Bob Turri of the San Juan Resource Area, at
(801) 587-2141 for the following:

- 2 days prior to commencement of dirt work, construction or reclamation;
- 1 day prior to spudding;
- 1 day prior to running and cementing surface casing;
- 1 day prior to pressure testing of surface casing.

Notify the Moab District Office, Branch of Fluid Minerals at (801) 259-6111 for the following:

No well abandonment operations will be commenced without the prior approval of the Assistant District Manager, Minerals Division. In the case of newly drilled dry holes, and in emergency situations, verbal approval can be obtained by calling the following individuals, in the order listed.

Dale Manchester, Petroleum Engineer	Office Phone: (801) 259-6111
	Home Phone: (801) 259-6239
Eric Jones, Petroleum Engineer	Office Phone: (801) 259-6111
	Home Phone: (801) 259-2214

If unable to reach the above individuals including weekends, holidays, or after hours please call the following:

Lynn Jackson, Chief, Branch of Fluid Minerals	Office Phone: (801) 259-6111
	Home Phone: (801) 259-7990

24 HOURS ADVANCE NOTICE IS REQUIRED FOR ALL ABANDONMENTS

ENTITY ACTION FORM - FORM 6

OPERATOR Raymond T. Duncan

OPERATOR ACCT. NO. N0360

ADDRESS 1777 S. Harrison St. P-1

Denver, CO. 80210

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	09775	43-037-31567	Cave Canyon Federal 12-3	SWNW	3	38S	24E	San Juan	12/12/90	12/12/90
WELL 1 COMMENTS:											
<div style="text-align: center;"> </div>											
WELL 2 COMMENTS:											
<div style="display: flex; justify-content: space-between;"> <div> <p>Federal Lease</p> <p>Field - Cave Canyon</p> <p>Unit - Cave Canyon Sec. Recovery</p> </div> <div> <p>Proposed Zone - Ismy</p> <p>(Entity 9775 added 12-18-90) <i>for</i></p> </div> </div>											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

Maria O'Keefe
Signature

Engineering Technician 12/13/90
Title Date

Phone No. (303) 759-3303

STATE OF UTAH
OIL & GAS CONSERVATION COMMISSION

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		<div style="text-align: center;"> </div>	5. LEASE DESIGNATION AND SERIAL NO. U-47876
2. NAME OF OPERATOR Raymond T. Duncan			6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA
3. ADDRESS OF OPERATOR 1777 S. Harrison St. P-1 Denver, Co 80219			7. UNIT AGREEMENT NAME Cave Canyon Waterflood
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 1610 FNL & 1300 FWL SWNW Sec 3			8. FARM OR LEASE NAME Cave Canyon Federal
14. PERMIT NO. 43-037-31567 <i>DR</i>		15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5342' GR	9. WELL NO. 12-3
			10. FIELD AND POOL, OR WILDCAT Cave Canyon Field-Ismay
			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 3 T38S R24E
			12. COUNTY OR PARISH 13. STATE San Juan Utah

16.

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
(Other) Notification of Spud <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <input type="checkbox"/>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) *

Raymond T. Duncan spud the subject well at 9:00 PM on December 12, 1990.

CONFIDENTIAL

18. I hereby certify that the foregoing is true and correct

SIGNED *C. B. Hurland*

TITLE Operations Superintendent

DATE 12/13/90

(This space for Federal or State office use)

APPROVED BY _____

TITLE _____

DATE _____

CONDITIONS OF APPROVAL, IF ANY:

STATE OF UTAH
OIL & GAS CONSERVATION COMMISSION

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-47876
2. NAME OF OPERATOR Raymond T. Duncan		6. IS INDIAN, ALLOTTEE OR TRIBE NAME NA
3. ADDRESS OF OPERATOR 1777 S. Harrison St. P-1 Denver, Co 80210		7. UNIT AGREEMENT NAME Cave Canyon Waterflood
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1610 FNL & 1300 FWL SWNW Sec 3		8. FARM OR LEASE NAME Cave Canyon Federal
14. PERMIT NO. 43-037-31567		9. WELL NO. 12-3
15. ELEVATIONS (Show whether OF, RT, GR, etc.) 5342' GR		10. FIELD AND POOL, OR WILDCAT Cave Canyon Field-Ismay
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 3 T38S R24E
		12. COUNTY OR PARISH 13. STATE San Juan Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	

(Other) Notification of Spud

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Raymond T. Duncan spud the subject well at 9:00 PM on December 12, 1990.
The drilling rig is Arapahoe Drilling Rig #3.

18. I hereby certify that the foregoing is true and correct

SIGNED

B. H. H. H.

TITLE Operations Superintendent

DATE 12/13/90

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

STATE OF UTAH
OIL & GAS CONSERVATION COMMISSION

SUBMIT IN TRIPPLICATE*
(Other instructions on reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-47876
2. NAME OF OPERATOR Raymond T. Duncan		6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA
3. ADDRESS OF OPERATOR 1777 S. Harrison St. P-1 Denver, Co 80210		7. UNIT AGREEMENT NAME Cave Canyon Waterflood
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1610 FNL & 1300 FWL SWNW Sec 3		8. FARM OR LEASE NAME Cave Canyon Federal
14. PERMIT NO. 43-037-31567		9. WELL NO. 12-3
15. ELEVATIONS (Show whether SF, RT, GR, etc.) 5342' GR		10. FIELD AND POOL, OR WILDCAT Cave Canyon Field-Ismay
		11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA Sec 3 T38S R24E
		12. COUNTY OR PARISH San Juan
		13. STATE Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
(Other) Notification of Spud <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <input type="checkbox"/>	

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Raymond T. Duncan spud the subject well at 9:00 PM on December 12, 1990.
The drilling rig is Arapahoe Drilling Rig #3.

CONFIDENTIAL

18. I hereby certify that the foregoing is true and correct

SIGNED

C. B. Hurland

TITLE Operations Superintendent

DATE 12/13/90

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

DUNCAN ENERGY COMPANY

PENTHOUSE ONE

1777 SOUTH HARRISON STREET

DENVER, COLORADO 80210-3925

TELEPHONE (303) 759-3303

FAX (303) 757-0252

RECEIVED
JAN 23 1991

January 21, 1991

Bureau of Land Management
P.O. Box 970
Moab, Utah 84532

DIVISION OF
OIL, GAS & MINING

Gentlemen:

Enclosed please find sundry notice for the change of operatorship from Raymond T. Duncan to Duncan Energy Company for the Cave Canyon Lease Waterflood.

If you require further data please contact Marie O'Keefe of this office.

Sincerely,

Marie O'Keefe

Marie O'Keefe
Engineering Technician

/mo

cc: State of Utah
3 Triad Center #350
Salt Lake City, UT 84180-1203

Effective 6-21-90
per Marie O'Keefe *for*

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for proposals.

SUBMIT IN TRIPLICATE

RECEIVED
JAN 23 1991

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Raymond T. Duncan

3. Address and Telephone No.
1777 S. Harrison St. P-1 Denver, CO 80210 303-759-3303

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
T37S R24E Sec 33 SWSE

5. Lease Designation and Serial No.

UTU40751

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

Cave Canyon Lease
Waterflood

8. Well Name and No.

Cave Canyon Fed. 1-33

9. API Well No.

43-037-31276

10. Field and Pool, or Exploratory Area

Cave Canyon Ismay

11. County or Parish, State

San Juan, UT

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other <u>Change of Operator</u>	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Raymond T. Duncan was the previous operator of the referenced well. Duncan Energy Company is now the operator of record. Offices, personnel and all operations will continue to be the same for Duncan Energy Company as they were for Raymond T. Duncan. Duncan Energy Company is responsible under the terms and conditions of the lease for operations conducted on the leased lands. This referenced well is in the Cave Canyon Lease Waterflood.

cc: State of Utah

14. I hereby certify that the foregoing is true and correct

Signed W. S. Falls Title Production Manager Date January 21, 1991

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE

RECEIVED
JAN 23 19911. Type of Well
☐ Oil Well ☐ Gas Well ☐ Other See Below

2. Name of Operator

Raymond T. Duncan

3. Address and Telephone No.

1777 S. Harrison St. P-1 Denver, CO. 80210 303-759-3303

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

See Below

5. Lease Designation and Serial No.
U-47876

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation
Cave Canyon Lease
Waterflood8. Well Name and No.
See Below9. API Well No.
See Below10. Field and Pool, or Exploratory Area
Cave Canyon Ismay

11. County or Parish, State

San Juan, Utah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒
- Notice of Intent
-
- ☐
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- ☐
- Abandonment
-
- ☐
- Recompletion
-
- ☐
- Plugging Back
-
- ☐
- Casing Repair
-
- ☐
- Altering Casing
-
- ☒
- Other
- Change of Operator
-
- ☐
- Change of Plans
-
- ☐
- New Construction
-
- ☐
- Non-Routine Fracturing
-
- ☐
- Water Shut-Off
-
- ☐
- Conversion to Injection
-
- ☐
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Raymond T. Duncan was the previous operator of the Cave Canyon Lease Waterflood. Duncan Energy Company is now the operator of record for the Cave Canyon Lease Waterflood. Offices, personnel and all operations will continue to be the same for Duncan Energy Company as they were for Raymond T. Duncan. Duncan Energy Co. is responsible under the terms and conditions of the lease for operations conducted on the leased lands.

WELL NAME	LOCATION	WELL STATUS	API #
Cave Canyon 3-2	T38S R24E Sec 3	NESW Producing Oil Well	43-037-31120
Cave Canyon 4-3	" " " 4	NENE " " "	43-037-31414
Cave Canyon 3-3	" " " 3	SESW Shut in Oil Well	43-037-31413
Wells Federal 1-4	" " " 4	NENE Producing Oil Well	43-037-31028
Cave Canyon 3-1	" " " 3	SWNW Water Injection Well	43-037-31095
1-Cave Canyon-WSW	" " " 3	NESW Water Supply Well	43-037-99998
Cave Canyon 4-4	" " " 4	NENE Producing Oil Well	43-037-31539
Cave Canyon 12-3	" " " 3	SWNW Completing Oil Well	43-037-31567
Cave Canyon 13-3	" " " 3	NWSW Approved Drlg Location	43-037-31570
Cave Canyon 3-4	" " " 3	NWNW " " "	43-037-31542
Cave Canyon 3-5	" " " 3	NWSE " " "	43-037-31541

14. I hereby certify that the foregoing is true and correct

Signed J. J. Fallon Title Production Manager Date January 21, 1991

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any: _____

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

cc: State of Utah

*See Instruction on Reverse Side

PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

☐ Well File _____☐ Suspense
(Return Date) _____
(To - Initials) _____☒ Other
OPERATOR CHANGE
FILE. _____(Location) Sec _____ Twp _____ Rng _____
(API No.) _____

1. Date of Phone Call: 1-28-91 Time: 10:00

2. DOGM Employee (name) L. ROMERO (Initiated Call ☒
Talked to:Name MARIE O'KEEFE (Initiated Call ☐ - Phone No. (303) 759-3303
of (Company/Organization) DUNCAN ENERGY COMPANY/N3370

3. Topic of Conversation: EFFECTIVE DATE OF OPERATOR CHANGE

4. Highlights of Conversation: EFFECTIVE DATE 6-21-90, ALSO NO DOCUMENTATION
REQUIRED FROM RAYMOND T. DUNCAN (DUNCAN ENERGY COMPANY & RAYMOND T. DUNCAN ARE
ONE IN THE SAME COMPANY).



Norman H. Bangertter

Governor

Dee C. Hansen

Executive Director

Dianne R. Nielson, Ph.D.

Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple

3 Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

801-538-5340

January 30, 1991

Duncan Energy Company
PH 1, 1777 S. Harrison St.
Denver, Colorado 80210

Gentlemen:

RE: Transfer of Authority to Inject - Cave Canyon #3-1 Well, Sec. 3, T. 38S.,
R. 24E - San Juan County, Utah

The Division has received a request of operator change for the Cave Canyon #3-1 Well, from Raymond T. Duncan to Duncan Energy Company.

Please complete and return to our office the enclosed UIC Form 5, as required by R615-8-21 of the Oil and Gas Conservation General Rules.

If I can be of assistance, please contact me at (801)538-5340.

Sincerely,

Gil Hunt
UIC Manager

lr
Enclosure

1-
2-
3-
4-
5-
6-

Attach all documentation received by the division regarding this change.
 Initial each listed item when completed. Write N/A if item is not applicable.

- ☒ Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator ☐ Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: _____)

TO (new operator)	<u>DUNCAN ENERGY COMPANY</u>	FROM (former operator)	<u>DUNCAN, RAYMOND T.</u>
(address)	_____	(address)	_____
	_____		_____
	_____		_____
	phone () _____		phone () _____
	account no. <u>N 3370</u>		account no. <u>N0360</u>

Well(s) (attach additional page if needed):

Name: <u>CAVE CANYON FED 13-3/DRL</u>	API: <u>4303731570</u>	Entity: <u>99999</u>	Sec <u>3</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U-47876</u>
Name: <u>CAVE CYN FED 3-4/DRL</u>	API: <u>4303731542</u>	Entity: <u>99999</u>	Sec <u>3</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U-47876</u>
Name: <u>CAVE CYN FED 3-5/DRL</u>	API: <u>4303731541</u>	Entity: <u>99999</u>	Sec <u>3</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U-47876</u>
Name: <u>CAVE CANYON #1-33/ISMY</u>	API: <u>4303731276</u>	Entity: <u>9775</u>	Sec <u>33</u> Twp <u>37S</u> Rng <u>24E</u>	Lease Type: <u>U-40751</u>
Name: <u>CAVE CANYON 1 (WSW)</u>	API: <u>(NOT ON SYS)</u>	Entity: _____	Sec <u>3</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U-47876</u>
Name: <u>(Water Rights)</u>	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

- ___ 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form).
- ___ 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form).
- ___ 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) ___ If yes, show company file number: _____.
- ___ 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- ___ 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above.
- ___ 6. Cardex file has been updated for each well listed above.
- ___ 7. Well file labels have been updated for each well listed above.
- ___ 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission.
- ___ 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) ____ (If entity assignments were changed, attach copies of Form 5, Entity Action Form).
2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
2. A copy of this form has been placed in the new and former operators' bond files.
3. The former operator has requested a release of liability from their bond (yes/no) ____.
Today's date _____ 19____. If yes, division response was made by letter dated _____ 19____.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated _____ 19____, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
2. Copies of documents have been sent to State Lands for changes involving State leases.

FILED

1. All attachments to this form have been microfilmed. Date: _____ 19____.

FILED

1. Copies of all attachments to this form have been filed in each well file.
2. The original of this form and the original attachments have been filed in the Operator Change file.

REMARKS

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing:	
1- LCR	<i>CL</i>
2- DTS	<i>DTS</i>
3- VLC	<i>✓</i>
4- RJF	<i>✓</i>
5- RWM	<i>✓</i>
6- LCR	<i>✓</i>

Attach all documentation received by the division regarding this change.
 Initial each listed item when completed. Write N/A if item is not applicable.

☒ Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator ☐ Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 6-21-90)

TO (new operator) DUNCAN ENERGY COMPANY
 (address) PH 1, 1777 S. HARRISON ST.
DENVER, CO 80210
 phone (303) 759-3303
 account no. N 3370

FROM (former operator) DUNCAN, RAYMOND T.
 (address) 1777 S. HARRISON ST., PH 1
DENVER, CO 80210
 phone (303) 759-3303
 account no. N 0360

Well(s) (attach additional page if needed):

Conf

Name: CAVE CANYON #3-2/ISMY	API: <u>4303731120</u>	Entity: <u>9775</u>	Sec <u>3</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U-47876</u>
Name: CAVE CYN FED 4-3/ISMY	API: <u>4303731414</u>	Entity: <u>9775</u>	Sec <u>4</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U-47876</u>
Name: CAVE CYN FED 3-3/ISMY	API: <u>4303731413</u>	Entity: <u>9775</u>	Sec <u>3</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U-47876</u>
Name: WELLS FED #1/ISMY	API: <u>4303731028</u>	Entity: <u>9775</u>	Sec <u>4</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U-47876</u>
Name: CAVE CANYON #3-1/ISMY	API: <u>4303731095</u>	Entity: <u>9775</u> <i>/WV</i>	Sec <u>3</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U-47876</u>
Name: CAVE CANYON FED 4-4/ISMY	API: <u>4303731539</u>	Entity: <u>9775</u>	Sec <u>4</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U-47876</u>
Name: CAVE CANYON FED 12-3/DR	API: <u>4303731567</u>	Entity: <u>9775</u>	Sec <u>3</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U-47876</u>

OPERATOR CHANGE DOCUMENTATION

- See* 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). (*Rec. 1-23-91*)
- See* 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). (*Rec. 1-23-91*)
- See* 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) yes If yes, show company file number: #110244. (*1-28-91*)
- See* 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- See* 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (*1-31-91*)
- See* 6. Cardex file has been updated for each well listed above.
- See* 7. Well file labels have been updated for each well listed above.
- See* 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission.
- See* 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes no NO (If entity assignments were changed, attach copies of Form 5, Entity Action Form). *Cave Cyn. Unit / Ismy PA.*
2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
2. A copy of this form has been placed in the new and former operators' bond files.
3. The former operator has requested a release of liability from their bond (yes/no) _____. Today's date _____ 19____. If yes, division response was made by letter dated _____ 19____.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated _____ 19____, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
2. Copies of documents have been sent to State Lands for changes involving State leases.

FILED

1. All attachments to this form have been microfilmed. Date: February 5 1991.

FILED

1. Copies of all attachments to this form have been filed in each well file.
2. The original of this form and the original attachments have been filed in the Operator Change file.

REMARKS

9/10/28 Btm/meab Have received documentation, bonding looks ok. Is not approved as of yet. will call when approved.

9/10/29 Btm Approved all wells eff. 6-21-90. (Unit Oper. Duncan Energy Company)

EASTMAN CHRISTENSEN

RECORD OF SURVEY

FOR

```
* * * * *
*
* OPERATOR      : DUNCAN ENERGY
*
* WELL NAME     : CAVE CANYON 12-3
*
* LOCATION      : SAN JUAN COUNTY, UTAH
*
* JOB NUMBER    :
*
* RIG           :
*
* DECLINATION   : 0.00 E
*
*               PLANE OF VERTICAL SECTION
*
*               DIRECTION : S 59 2 W
*
* * * * *
```

EC DISTRICT : ROCKY MOUNTAIN DIST.

DUNCAN ENERGY
CAVE CANYON 12-3
SAN JUAN COUNTY, UTAH

PBHL : S 59 2 W

DATE PRINTED : 19-MAR-91
OUR REF. NO. : S03443.0DZ
JOB NUMBER :

PAGE NO. 2

MEASURED DEPTH	DRIFT ANGLE D M	DRIFT DIRECTION D M	COURSE LENGTH	TRUE VERTICAL DEPTH	VERTICAL SECTION	R E C T A N G U L A R C O O R D I N A T E S		C L O S U R E DISTANCE		DIRECTION D M	DOGLEG SEVERITY
0.00	0	0 N 0	0.00	0.00	0.00	0.00 N	0.00 E	0.00	S 90	0 E	0.00
2000.00	0	0 N 0	2000.0	2000.00	0.00	0.00 N	0.00 E	0.00	S 90	0 E	0.00
2043.00	0	30 N 88	43.00	2043.00	0.16	0.01 N	0.19 W	0.19	N 88	0 W	1.16
2496.00	1	0 S 86	453.00	2495.96	5.34	0.20 S	6.11 W	6.11	S 88	7 W	0.11
2994.00	0	45 S 26	498.00	2993.91	11.94	3.43 S	11.87 W	12.36	S 73	52 W	0.18
3493.00	0	15 N 58	499.00	3492.90	15.18	5.79 S	14.23 W	15.36	S 67	51 W	0.16
3991.00	0	15 N 46	498.00	3990.89	14.61	4.46 S	14.36 W	15.04	S 72	45 W	0.08
4490.00	0	30 N 45	499.00	4489.88	11.44	2.17 S	12.04 W	12.24	S 79	48 W	0.05
4638.00	0	45 N 53	148.00	4637.87	9.85	1.13 S	10.81 W	10.87	S 84	3 W	0.18
4667.00	0	45 N 52	29.00	4666.87	9.47	0.89 S	10.51 W	10.55	S 85	8 W	0.05
4728.00	1	0 S 83	61.00	4727.87	9.56	0.71 S	10.72 W	10.75	S 86	12 W	2.77
4788.00	2	30 S 73	60.00	4787.84	11.31	1.16 S	12.50 W	12.55	S 84	42 W	2.54
4849.00	4	15 S 56	61.00	4848.73	14.86	2.81 S	15.64 W	15.89	S 79	48 W	3.27
4913.00	5	45 S 55	64.00	4912.48	20.43	5.98 S	20.23 W	21.10	S 73	32 W	2.35
5045.00	8	0 S 55	132.00	5043.53	36.19	15.04 S	33.18 W	36.43	S 65	37 W	1.70
5172.00	9	30 S 50	127.00	5169.05	55.36	26.85 S	48.45 W	55.39	S 61	0 W	1.32
5296.00	9	30 S 48	124.00	5291.35	75.50	40.27 S	63.89 W	75.52	S 57	47 W	0.27
5353.00	10	45 S 49	57.00	5347.46	85.36	46.91 S	71.40 W	85.43	S 56	42 W	2.21
5415.00	12	30 S 49	62.00	5408.18	97.66	55.10 S	80.83 W	97.82	S 55	43 W	2.82
5446.00	13	0 S 54	31.00	5438.42	104.44	59.35 S	86.18 W	104.64	S 55	27 W	3.91
5478.00	13	0 S 59	32.00	5469.60	111.62	63.32 S	92.18 W	111.83	S 55	31 W	3.51
5509.00	14	0 S 60	31.00	5499.74	118.86	66.99 S	98.41 W	119.05	S 55	45 W	3.31
5541.00	14	45 S 62	32.00	5530.74	126.79	70.84 S	105.36 W	126.96	S 56	5 W	2.81
5605.00	16	30 S 65	64.00	5592.38	143.97	78.51 S	120.79 W	144.07	S 56	59 W	3.01
5636.00	17	15 S 67	31.00	5622.04	152.90	82.17 S	129.01 W	152.96	S 57	30 W	3.06
5691.00	18	30 S 70	55.00	5674.39	169.55	88.34 S	144.72 W	169.55	S 58	36 W	2.82
5913.00	5	0 S 70	222.00	5891.23	213.83	103.76 S	187.11 W	213.95	S 60	59 W	6.08
5962.00	2	0 S 70	49.00	5940.13	216.76	104.79 S	189.92 W	216.91	S 61	7 W	6.12

CLOSURE - DISTANCE : 216.91
DIRECTION : S 61 7 W

REPORT UNITS : Feet
SURVEY CALCULATION METHOD : Minimum curvature

Accepted by :
Checked by :

SURVEY RUN INFORMATION

=====

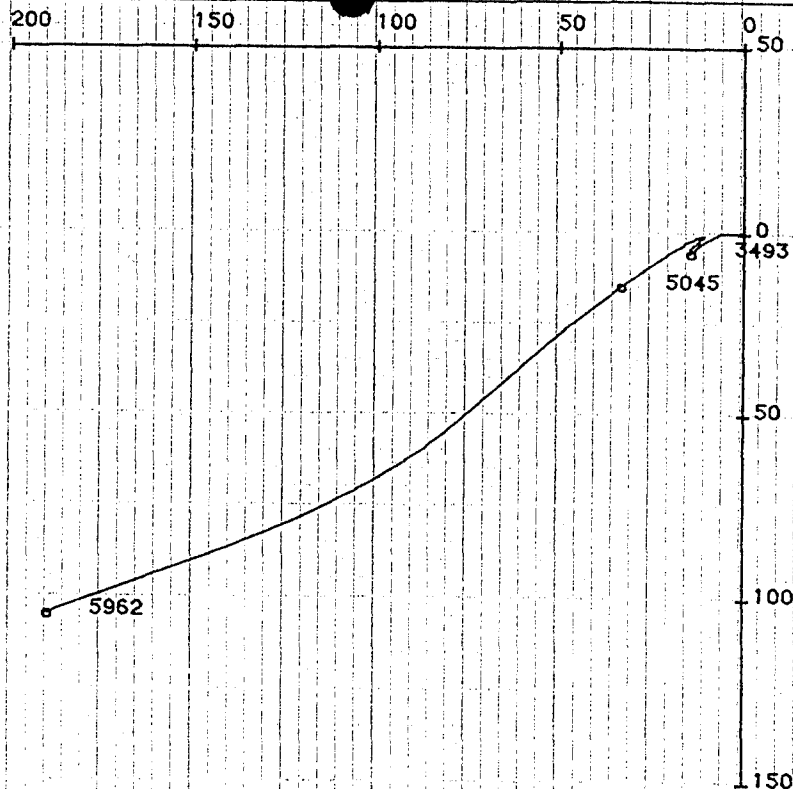
MAGNETIC SINGLE SHOT SURVEY 413-568

DIRECTIONAL DRILLER: MR. V. STAPLES

0
1000
2000
3000
4000
5000
6000
TVD

V. SECTION PLANE
SURVEY: S03443.0DZ

S59°02'W



DUNCAN ENERGY
CAVE CANYON 12-3
SAN JUAN COUNTY, UTAH

CONFIDENTIAL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ DRY ☐ Other _____

b. TYPE OF COMPLETION:

NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ Other _____

2. NAME OF OPERATOR

Duncan Energy Company

3. ADDRESS OF OPERATOR

1777 S. Harrison St. P-1 Denver, CO. 80210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 1610' FNL & 1300' FWL SWNW Sec 3

At top prod. interval reported below 1714' FNL & 1114' FWL

At total depth 1715' FNL & 1110' FWL

14. PERMIT NO.

43-037-31567

DATE ISSUED

11-5-90

15. DATE SPUDDED

12-12-90

16. DATE T.D. REACHED

1-14-91

17. DATE COMPL. (Ready to prod.)

1-24-91

18. ELEVATIONS (OF, RKB, RT, GR, ETC.)*

5350' GL 5362' KB

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

5962' MD/5940' TVD

21. PLUG, BACK T.D., MD & TVD

5915' MD

22. IF MULTIPLE COMPL.,

HOW MANY*

NA

23. INTERVALS

DRILLED BY

ROTARY TOOLS

0-5962'

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

5884-77, 5873-70, 5866-61, 5844-39' Ismay

25. WAS DIRECTIONAL
SURVEY MADE

yes

26. TYPE ELECTRIC AND OTHER LOGS RUN

Cyberlook, 1-18-91
Sonic, CBL/GR, DIL, MUDLOG, Comp. version - little bit

27. WAS WELL CORED

NO

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24#	2001'	12 1/4"	1000 sx Lite	None
				100 sx Class G & Add.	
5 1/2"	15.5#	5960'	7 7/8"	365 sx Class G & Add.	None

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 7/8"	5758'	AC 5663'

31. PERFORATION RECORD (Interval, size and number)

5839-5884' 4 JSPF

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5839-5884'	1000 gal 28% HCL
5839-5884'	8000 gal SXE HCL & 15500 gal WF40 H2O

33. PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
1-24-91		pumping 1½x2x24 BHD rod pump				Prod.	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BSL.	GAS—MCF.	WATER—BSL.	GAS-OIL RATIO
3-2-91	24	NA	→ 275	275	110	0	400
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BSL.	GAS—MCF.	WATER—BSL.	OIL GRAVITY-API (CORR.)	
NA	0	→	275	110	0	42.4	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Sold- Koch Hydrocarbon

TEST WITNESSED BY
Arkie Browning

35. LIST OF ATTACHMENTS

Logs and subsurface directional survey sent to the BLM & State of Utah.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

Charles B. Thorne

TITLE Operations Superintendent

DATE 3-18-91

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, Federal or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal agency.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formations, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 86.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State geologist and pressure tests, and unconsolidated material.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Item 19: If this well is completed for separate production from more than one interval zone (multiple completion), so state in Item 22, and in Item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in Item 83. Submit a separate report (page) on this form, adequately identified, showing the additional data pertinent to such interval.

Interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in Item 29: "Sacks Cement". Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool. (See instruction for items 22 and 24 above.)

Item 29: "Sacks Cement": Attached supplemental records for this well should show the sacks cemented. (See instruction for items 22 and 24 above.)

Item 33: Submit a separate completion report on this form for each interval to be separately produced.

37. SUMMARY OF POROUS ZONES: SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES		DESCRIPTION, CONTENTS, ETC.	
FORMATION	TOP	BOTTOM	

MAR 21 1991

RECEIVED

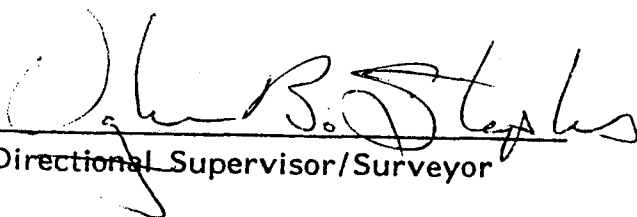
APR 01 1991

DIVISION OF
OIL GAS & MINING

SURVEY CERTIFICATION SHEET

Company DUNCAN ENERGY Job # 413-568 Date 3/19/91
Lease CAVE CANYON Well # 12-3 State UTAH
Surveyed from a depth of 2000 feet to a depth of 5962 feet.
Type of Survey MAGNETIC SINGLE SHOT
Directional Supervisor/Surveyor VAUGHN STAPLES


The data for this survey and the calculations for this survey were obtained and performed by me according to the standards and procedures as set forth by Eastman Christensen Company and are true and correct to the best of my knowledge.



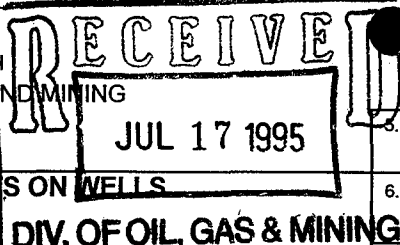
Directional Supervisor/Surveyor

The data and calculations for this survey have been checked by me and conform to the standards and procedures as set forth by Eastman Christensen Company. This report represents a true and correct Directional Survey of this well based on the original data obtained at the well site:

Checked by:



Original Copy - District Office File
One copy to Houston Office
FORM D-1121

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

5. Lease Designation and Serial Number:

UTU 47876

6. Indian, Allottee or Tribe Name:

7. Unit Agreement Name:

Do not use this form for proposals to drill new wells, deepen existing wells, or re-completing plugged and abandoned wells.

Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well:

OIL ☒ GAS ☐ OTHER:

8. Well Name and Number:

Cave Canyon Federal 12-3

2. Name of Operator:

Giant Exploration & Production Company

9. API Well Number:

43-037-31567

3. Address and Telephone Number:

P.O. Box 2810, Farmington, New Mexico 87499 (505)326-3325

10. Field and Pool, or Wildcat:

Cave Canyon, Ismay

4. Location of Well:

Footages: 1610' FNL, 1300' FWL

County: San Juan

QQ, Sec., T., R., M.: SW/4, NW/4, Sec. 3, T38S, R24E

State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT

(Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandonment | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recompletion |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Shoot or Acidize |
| <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Approximate date work will start _____

SUBSEQUENT REPORT

(Submit Original Form Only)

- | | |
|---|---|
| <input type="checkbox"/> Abandonment * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Shoot or Acidize |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>Change of Operator</u> | |

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL-COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Giant Exploration & Production Company purchased the above mentioned well from Duncan Energy Company effective 06-23-95.

13.

Name & Signature

Jeffrey R. Vaughan

Title:

Vice President/Operations

Date:

JUL 14 1995

(This space for State use only)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir,
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No.
2. Name of Operator Giant Exploration & Production Company	9. API Well No.
3. Address and Telephone No. P.O. Box 2810, Farmington, New Mexico 87499 (505)326-3325	10. Field and Pool, or Exploratory Area Cave Canyon
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)	11. County or Parish, State San Juan, Utah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

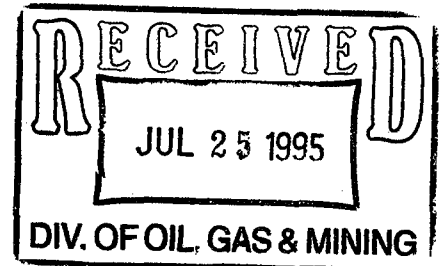
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Change of Operator</u>	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Giant Exploration & Production Company purchased the above mentioned lease from Duncan Energy Company effective 06-23-95. Giant's bond number is SLR 111 3289 3097.

Listed below is the purchased well and API # for Lease Number UTU47876:

Cave Canyon Federal 3-1 - API # 43-037-31095
Cave Canyon Federal 3-2 - API # 43-037-31120
Cave Canyon Federal 3-3 - API # 43-037-31413
Cave Canyon Federal 4-3 - API # 43-037-31414
Cave Canyon Federal 4-4 - API # 43-037-31539
Cave Canyon Federal 4-5 - API # 43-037-31695
Cave Canyon Federal 12-3 - API # 43-037-31567
Cave Canyon WSW 1 - API # 43-037-99998
Wells Federal 1-4 - API # 43-037-31028



14. I hereby certify that the foregoing is true and correct

Signed Jeffrey R. Vaughan Title Vice President/Operations Date JUL 14 1995

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

Associate District Manager
CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

Giant Exploration & Production Company
Several Wells
Secs. 3 & 4, T. 38 S., R. 24 E.
San Juan County, Utah
Lease UTU47876

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Giant Exploration & Production Company is considered to be the operator of the above wells and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by NM1759 (Principal - Giant Exploration & Production Company) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

m OGCC-1 b*

STATE OF UTAH
OIL & GAS CONSERVATION COMMISSION

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. WELL TYPE OIL <input type="checkbox"/> GAS <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU47876	
2. NAME OF OPERATOR Duncan Energy Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR 1777 South Harrison Street, P-1, Denver, CO 80210		7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface See Below		8. FARM OR LEASE NAME	
14. PERMIT NO.		9. WELL NO.	
15. ELEVATIONS (Show whether by, to, or, etc.)		10. FIELD AND POOL, OR WILDCAT Cave Canyon	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA	
		12. COUNTY OR PARISH San Juan	13. STATE Utah

16. **Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data**

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REFRASHING WELL

ALTERING CASING

ABANDONMENT*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. **DESCRIBE PROPOSED OR COMPLETED OPERATIONS** (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Effective 6-23-95, Giant Exploration & Production Company has taken over operations of the above-mentioned lease. Listed below are the purchased wells and API #s for Lease Number UTU47876:

Cave Canyon Federal 3-1 - API #43-037-31095, Sec. 3-T38S-R24E
Cave Canyon Federal 3-2 - API #43-037-31120, Sec. 3-T38S-R24E
Cave Canyon Federal 3-3 - API #43-037-31413, Sec. 3-T38S-R24E
Cave Canyon Federal 4-3 - API #43-037-31414, Sec. 4-T38S-R24E
Cave Canyon Federal 4-4 - API #43-037-31539, Sec. 4-T38S-R24E
Cave Canyon Federal 4-5 - API #43-037-31695, Sec. 4-T38S-R24E
Cave Canyon Federal 12-3 - API #43-037-31567, Sec. 3-T38S-R24E
Cave Canyon WSW 1 - API #43-037-99998, Sec. 3-T38S-R24E
Wells Federal 1-4 - API #43-037-31028, Sec. 4-R38S-R24E

18. I hereby certify that the foregoing is true and correct

SIGNED Van C. Spence

TITLE Sr. Production Engineer

DATE 8/4/95

(This space for Federal or State office use)

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

TITLE _____

DATE _____

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

(PAGE 2)

Routing:

1-LEC	GIL
2-LWH	7-PL
3-DPS	8-SJ
4-VLC	9-FILE
5-RJF	
6-LWP	

Attach all documentation received by the division regarding this change.
Initial each listed item when completed. Write N/A if item is not applicable.

- ☒ Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator ☐ Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 6-23-95)

TO (new operator) GIANT EXPLOR & PROD CO
(address) PO BOX 2810
FARMINGTON NM 87499
phone (505) 326-3325
account no. N 0075

FROM (former operator) DUNCAN ENERGY COMPANY
(address) 1777 S HARRISON ST PH #1
DENVER CO 80210
phone (303) 759-3303
account no. N 3370

Well(s) (attach additional page if needed):

(CAVE CANYON SECONDARY RECOVERY UNIT)

Name: <u>CAVE CANYON FED 12-3/IS</u>	API: <u>43-037-31567</u>	Entity: <u>9775</u>	Sec <u>3</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U47876</u>
Name: <u>WELLS FEDERAL 1/ISMY</u>	API: <u>43-037-31028</u>	Entity: <u>9775</u>	Sec <u>4</u> Twp <u>38S</u> Rng <u>24E</u>	Lease Type: <u>U47876</u>
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

- lec 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Ref. 7-18-95) (Rec'd 8-4-95)*
- lec 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 7-17-95)*
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) ____ If yes, show company file number: _____
- lec 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- lec 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(8-8-95)*
- sup 6. Cardex file has been updated for each well listed above. *8-14-95*
- sup 7. Well file labels have been updated for each well listed above. *8-14-95*
- lec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(8-8-95)*
- lec 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- Sec* 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
- N/A* 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

- N/A* 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- Sec* 2. A copy of this form has been placed in the new and former operators' bond files.
- Sec* 3. The former operator has requested a release of liability from their bond (yes/no) _____. Today's date _____ 19____. If yes, division response was made by letter dated _____ 19____.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- 4/12* 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated _____ 19____, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
- 8/15/95*
- 4/12* 2. Copies of documents have been sent to State Lands for changes involving State leases.

FILMING

- ✓* 1. All attachments to this form have been microfilmed. Date: August 21 19 95.

FILING

- ✓* 1. Copies of all attachments to this form have been filed in each well file.
- ✓* 2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS

950725 Blm/meab Apr. eff. 6-23-95.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801

Page 2 of 2

MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

DIANE G JARAMILLO
GIANT EXPLOR & PROD CO
PO BOX 2810
FARMINGTON NM 87499

UTAH ACCOUNT NUMBER: N0075REPORT PERIOD (MONTH/YEAR): 8 / 96AMENDED REPORT ☐ (Highlight Changes)

Well Name			Producing Zone	Well Status	Days Oper	Production Volumes		
API Number	Entry	Location				OIL(BBL)	GAS(MCF)	WATER(BBL)
✓ CAVE CANYON 3-2								
4303731120	09775	38S 24E 3	ISMY			u 47876	Cave Cyn Unit	
✓ CAVE CANYON 3-3								
4303731276	09775	37S 24E 33	ISMY			u 40751	"	
✓ CAVE CANYON 3-3								
4303731413	09775	38S 24E 3	ISMY			u 47876	"	
✓ CAVE CANYON FEDERAL 4-3								
4303731414	09775	38S 24E 4	ISMY			"	"	
✓ CAVE CANYON FEDERAL 4-4								
4303731539	09775	38S 24E 4	ISMY			"	"	
✓ CAVE CANYON FEDERAL 12-3								
4303731567	09775	38S 24E 3	ISMY			"	"	
✓ CAVE CANYON FEDERAL 4-5								
4303731695	09775	38S 24E 4	ISMY			"	"	
✓ CAVE CANYON 13-3								
4303731766	09775	38S 24E 3	ISMY			"	"	
GAGE FOSTER #1								
4303731463	10991	37S 23E 32	DSCR			ML43698		
✓ HATCH POINT #1								
4303731658	11356	29S 21E 14	LDLL			u 61791		
Gothic Mesa 16-11								
43037-15042	6008	41S 23E 16	DSCR / W1W			1420602243	Gothic Mesa Unit / Nav.	
Cave Canyon 3-1								
43037-31095	9775	38S 24E 3	Ismy / W1W			u 47876	Cave Cyn Unit	
TOTALS								

COMMENTS:

I hereby certify that this report is true and complete to the best of my knowledge.

Date: _____

Name and Signature: _____

Telephone Number: _____

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.

Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well:

OIL ☒ GAS ☐ OTHER:

2. Name of Operator:

Central Resources, Inc.

3. Address and Telephone Number:

1775 Sherman Street, Suite 2600 Denver, CO 80203 303-830-0100

4. Location of Well:

Footages: 1610' FNL & 1300' FWL

QQ, Sec., T., R., M.: SW NW Sec. 3-T38S-R24E

5. Lease Designation and Serial Number:

U-47876

6. If Indian, Allottee or Tribe Name:

NA

7. Unit Agreement Name:

NA

8. Well Name and Number:

Cave Canyon Fed. 12-3

9. API Well Number:

43-037-31567

10. Field and Pool, or Wildcat:

Cave Canyon, Ismay

County: San Juan

State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT

(Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandonment | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recompletion |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Shoot or Acidize |
| <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Approximate date work will start _____

SUBSEQUENT REPORT

(Submit Original Form Only)

- | | |
|---|---|
| <input type="checkbox"/> Abandonment * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Shoot or Acidize |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>Change of Operator</u> | |

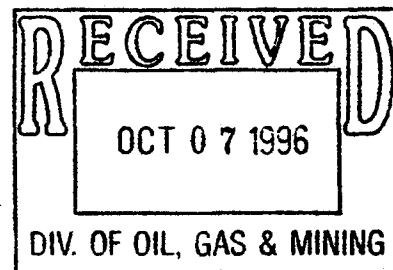
Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Effective 9/1/96 operations of the subject well were transferred from Giant Exploration & Production Company to Central Resources, Inc.



Giant Exploration & Production Company

Name & Signature

Deane Perumille

Title: Production/Regulatory Manager Date: August 30, 1996

13. Central Resources, Inc.

Name & Signature

Jane Martey

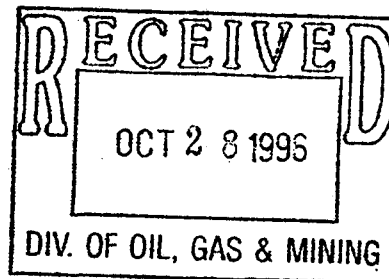
Title: Engineering Technician Date: August 30, 1996

(This space for State use only)

CENTRAL

RESOURCES, INC.

October 23, 1996



Ms. Lesha Cordova
State of Utah
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Re: Monthly Oil & Gas Production Report

Dear Ms. Cordova:

Central Resources, Inc. purchased all assets from Giant Exploration & Production Company effective September 1, 1996.

Central is in the process of acquiring a Utah Account Number. However, to avoid mailing the enclosed Monthly Oil and Gas Production Report late, the account number on the report has been left blank.

If you have any questions regarding this matter, please contact Edna Wageman or myself at (505) 326-3325.

Sincerely,

Diane G. Jaramillo by EW

Diane G. Jaramillo
Office Supervisor

DGJ/

Enclosure

** 9/6/028 Not. Incl. Opn. NL935 "Central Res. Inc."
(Clg. not finalized yet!)*

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill, or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Central Resources, Inc.

3. Address and Telephone No.

1775 Sherman Street, Suite 2600, Denver, Colorado 80203 (303)830-0100

4. Location of Well (Footage, T, R, M, or Survey Description)

1610' FNL & 1300' FWL
SW NW Sec. 3-T38S-R24E

5. Lease Designation and Serial No.
UTU47876

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Cave Canyon 12-3

9. API Well No.
43-037-31567

10. Field and Pool, or Exploratory Area
Cave Canyon, Ismay

11. County or Parish, State
San Juan, NM

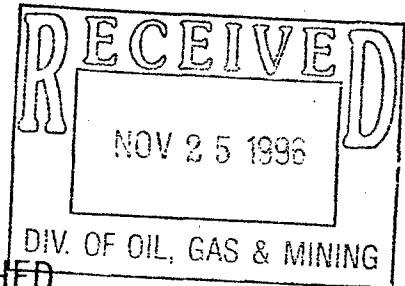
12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Surface Casing/Cementing
	<input checked="" type="checkbox"/> Other: CHANGE OF OPERATOR
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form).

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.
If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markets and zones pertinent to this work.)*

Please be advised that effective September 1, 1996, Central Resources, Inc. assumed operatorship of the referenced well. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Central Resources, Inc. under their statewide bond, BLM Bond No. B06175. They will be responsible for compliance under the lease terms and conditions for that portion of the lease associated with this notice.



CONDITIONS OF APPROVAL ATTACHED

14. I hereby certify that the foregoing is true and correct.

Signed:

Gene M. Martey

Title: Engineering Technician

Date: November 1, 1996

(This space for Federal or State office use)

Approved by:

/s/ Brad D. Palmer

Title: Assistant Field Manager, Resource Management

NOV 19 1996

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Central Resources, Inc.
Well No. Cave Canyon 12-3
SWNW Sec. 3, T. 38 S., R. 24 E.
San Juan County, Utah

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Central Resources, Inc., is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased land.

Bond coverage for this well is provided by BLM Bond UT1053 (Principle - Central Resources, Inc.) as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

OPERATOR CHANGE WORKSHEET

Attach all documentation received by the division regarding this change.
Initial each listed item when completed. Write N/A if item is not applicable.

Routing	
1-LEE	6-LEE
2-SEE	7-KDR
3-DTS	8-SJ
4-VLD	9-FILE
5-RJF	

- ☒ Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator ☐ Operator Name Change Only

The operator of the well(s) listed below has changed, effective: 9-1-96

TO: (new operator) CENTRAL RESOURCES INC
 (address) 1775 SHERMAN ST STE 2600
DENVER CO 80203-4313
IRENE MARTINEZ
 Phone: (303)830-0100
 Account no. N6935 (10-25-96)

FROM: (old operator) GIANT EXPLOR & PROD CO
 (address) PO BOX 2810
FARMINGTON NM 87499
DIANE JARAMILLO
 Phone: (505)326-3325
 Account no. N0075

WELL(S) attach additional page if needed:

***CAVE CANYON UNIT**

Name: **SEE ATTACHED**	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____

OPERATOR CHANGE DOCUMENTATION

- Lee 1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). (Rec'd 10-7-96)
- Lee 2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). (Rec'd 10-7-96)
- Lee 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is the company registered with the state? (yes/no) _____ If yes, show company file number: #C0193111. (LH 8-2-96)
- Lee 4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of Federal and Indian well operator changes should ordinarily take place prior to the division's approval, and before the completion of steps 5 through 9 below.
- Lee 5. Changes have been entered in the Oil and Gas Information System (3270) for each well listed above. (11-25-96)
- Lee 6. Cardex file has been updated for each well listed above. (11-25-96)
- Lee 7. Well file labels have been updated for each well listed above. (11-25-96)
- Lee 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. (11-25-96)
- Lee 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- Yes 1. (r649-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no If entity assignments were changed, attach copies of Form 6, Entity Action Form.
- N/A 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been notified through normal procedures of entity changes.

BOND VERIFICATION - (FEE WELLS ONLY)

- N/A 1. (r649-3-1) The NEW operator of any fee lease well listed above has furnished a proper bond.
- Yes 2. A copy of this form has been placed in the new and former operator's bond files.
- Yes 3. The FORMER operator has requested a release of liability from their bond (yes/no) no, as of today's date 12-30-96. If yes, division response was made to this request by letter dated 12-30-96.

LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY

- N/A 1. Copies of documents have been sent on 12-30-96 to BLM/Moab at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.

FILMING

- Yes 1. All attachments to this form have been microfilmed. Today's date: 12-30-96.

FILING

- Yes 1. Copies of all attachments to this form have been filed in each well file.
- Yes 2. The original of this form, and the original attachments are now being filed in the Operator Change file.

COMMENTS

9/6/25 BLM/Moab Aprv. 11-19-96.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.

Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well:

OIL ☒ GAS ☐ OTHER:

2. Name of Operator:

Elm Ridge Resources, Inc.

3. Address and Telephone Number:

312 W. LaPlata Street, Farmington, New Mexico (505) 326-7099

4. Location of Well:

Footages: 1610' FNL & 1300' FWL

QQ, Sec., T., R., M.: SW NW Sec. 3-T38S-R24E

5. Lease Designation and Serial Number:

U-47876

6. If Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Cave Canyon Fed. 12-3

9. API Well Number:

43-037-31567

10. Field and Pool, or Wildcat:

Cave Canyon, Ismay

County: San Juan

State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT

(Submit in Duplicate)

☐ Abandonment☐ New Construction☐ Casing Repair☐ Pull or Alter Casing☐ Change of Plans☐ Recom☐ Conversion to Injection☐ Shoot or Acidize☐ Fracture Treat☐ Vent or Flare☐ Multiple Completion☐ Water Shut-Off☐ Other _____

Approximate date work will start _____

SUBSEQUENT REPORT

(Submit Original Form Only)

☐ Abandonment *☐ New Construction☐ Casing Repair☐ Pull or Alter Casing☐ Change of Plans☐ Shoot or Acidize☐ Conversion to Injection☐ Vent or Flare☐ Fracture Treat☐ Water Shut-Off☒ Other Change of Operator

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Effective October 1, 2000, operations of the subject well were transferred from Central Resources, Inc. to Elm Ridge Resources, Inc.

RECEIVED

OCT 10 2000

DIVISION OF
OIL, GAS AND MINING

Central Resources, Inc.

Name & Signature

Jane Martinez

Title: Engineering Technician

Date: 09/29/00

13. Elm Ridge Resources, Inc.

Name & Signature

Dary Endley

Title: Operations Manager

Date: 09/29/00

(This space for State use only)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill, or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Elm Ridge Resources, Inc.

3. Address and Telephone No.

312 W. LaPlata Street, Farmington, New Mexico (505) 326-7099

4. Location of Well (Footage, T, R, M, or Survey Description)

1610' FNL & 1300' FWL

SW NW Sec. 3-T38S-R24E

5. Lease Designation and Serial No.

UTU47876

6. If Indian, Allotte or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Cave Canyon 12-3

9. API Well No.

43-037-31567

10. Field and Pool, or Exploratory Area

Cave Canyon, Ismay

11. County or Parish, State

San Juan, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Surface Casing/Cementing
	<input checked="" type="checkbox"/> Other: CHANGE OF OPERATOR
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form).

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.

If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markets and zones pertinent to this work.*

Please be advised that ~~effective October 1, 2000~~, Elm Ridge Resources, Inc. assumed operatorship of the referenced well. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Elm Ridge Resources, Inc. under their statewide bond, BLM Bond No. ~~505700~~. They will be under the lease terms and conditions for that portion of the lease associated with this notice.

Bond obtained 3/20/01
Change of operator effective 4/1/01
BLM Bond # UT1216

RECEIVED

JUN 11 2001

DIVISION OF
OIL GAS AND MINING

14. I hereby certify that the foregoing is true and correct

Signed:

Gregory L. Luby

Title: Operations Manager

Date: September 29, 2000

(This space for Federal or State office use)

Assistant Field Manager,

Approved by:

William H. Hunsley

Title:

Division of Resources 6/6/01

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

cc: WDOGM 6/6/01

Elm Ridge Resources, Inc.
Well No. Cave Canyon 12-3
SWNW Sec. 3, T. 38 S., R. 24 E.
Lease UTU47876
San Juan County, Utah

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Elm Ridge Resources, Inc. is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT1216 (Principal - Elm Ridge Resources, Inc.) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

RECEIVED

JUN 11 2001

DIVISION OF
OIL, GAS AND MINING

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH		4-KAS	/
2. CDW		5-LD	b/s
3. JLT		6-FILE	

Enter date after each listed item is completed

X Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

Merger

The operator of the well(s) listed below has changed, effective: **04-01-2001**

FROM: (Old Operator):
CENTRAL RESOURCES INC
Address: P. O. BOX 189
FARMINGTON, NM 87499-189
Phone: 1-(505)-632-3476
Account N6935
CA No.

TO: (New Operator):
ELM RIDGE RESOURCES INC
Address: P. O. BOX 189
FARMINGTON, NM 87499-189
Phone: 1-(505)-632-3476
Account N1440
Unit: CAVE CANYON PROJECT

WELL(S)

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
CAVE CANYON 1-33	43-037-31276	9775	33-37S-24E	FEDERAL	OW	P
CAVE CANYON 3-2	43-037-31120	9775	03-38S-24E	FEDERAL	OW	P
CAVE CANYON 3-3	43-037-31413	9775	03-38S-24E	FEDERAL	OW	S
CAVE CANYON 12-3	43-037-31567	9775	03-38S-24E	FEDERAL	OW	S
CAVE CANYON 13-3	43-037-31766	9775	03-38S-24E	FEDERAL	OW	S
CAVE CANYON 1-4	43-037-31028	9775	04-38S-24E	FEDERAL	OW	P
CAVE CANYON 4-3	43-037-31414	9775	04-38S-24E	FEDERAL	OW	S
CAVE CANYON 4-4	43-037-31539	9775	04-38S-24E	FEDERAL	OW	P
CAVE CANYON 4-5	43-037-31695	9775	04-38S-24E	FEDERAL	OW	P

OPERATOR CHANGES DOCUMENTATION

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 10/10/2000
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 10/10/2000
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 06/12/2001
4. Is the new operator registered in the State of Ut YES Business Number: 4830075-1150
5. If **NO**, the operator was contacted contacted on: _____
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 06/06/2001
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: N/A

8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: N/A
9. **Underground Injection Control ("UIC"):** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** 06/12/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 06/12/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

1. State well(s) covered by Bond No.: N/A

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

FILMING:

1. All attachments to this form have been **MICROFILMED** on: 7.12.01

FILING:

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filed in each well file on: _____

COMMENTS:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9.

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: Elm Ridge Exploration Company, LLC <i>N2985</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 12225 Greenville, Suite 950 CITY Dallas STATE TX ZIP 75243 PHONE NUMBER: (972) 889-2100		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: COUNTY: QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH		8. WELL NAME and NUMBER: See attached Exhibit "A"
		9. API NUMBER:
		10. FIELD AND POOL, OR WILDCAT:

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input checked="" type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective February 18, 2005, Elm Ridge Resources, Inc. transferred all responsibility of Operations for the wells described on the attached Exhibit "A" to Elm Ridge Exploration Company, LLC.

Current Operator:

Name Elm Ridge Resources, Inc. N1440 Title Land Manager

Signature Cathleen Colly Date December 1, 2005

New Operator:

NAME (PLEASE PRINT) Elm Ridge Exploration Company, LLC TITLE Land Manager

SIGNATURE Cathleen Colly DATE December 1, 2005

(This space for State use only)

RECEIVED

DEC 05 2005

Exhibit "A"
Operator Change
Effective February 18, 2005

Old Operator:	Elm Ridge Resources, Inc.									
New Operator:	Elm Ridge Exploration Company, LLC									
Lease Designation / Serial Number	Indian, Allottee or Tribe Name	Unit or CA Agreement	Well Name and Number	API Number	Type Well	Field and Pool or Wildcat	Location of Well Footages at Surface	1/4/1/4 Section Township, Range	County	State
14-20-603-239A	Navajo	Gothic Mesa Unit	Gothic Mesa 7-41	43-037-15032	Oil Well	Gothic Mesa	625' FNL, 710' FEL	NENE-7-41S-23E	San Juan	UT
14-20-603-239A	Navajo	Gothic Mesa Unit	Gothic Mesa 6-34	43-037-15034	Oil Well	Gothic Mesa	660' FSL, 1980' FEL	SWSE-6-41S-23E	San Juan	UT
14-20-603-240	Navajo	Gothic Mesa Unit	Gothic Mesa 17-31	43-037-15040	Oil Well	Gothic Mesa	820' FNL, 2140' FEL	NWNE-17-41S-23E	San Juan	UT
UTU-47876	N/A	N/A	Wells Federal 1-4	43-037-31028	Oil Well	Cave Canyon	500' FNL, 500' FEL	NENE-4-38S-24E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon 3-2	43-037-31120	Oil Well	Cave Canyon	1925' FSL, 1925' FWL	NESW-3-38S-24E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon 1-33	43-037-31276	Oil Well	Cave Canyon	535' FSL, 2025' FEL	SWSE-33-37S-24E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon 3-3	43-037-31413	Oil Well	Cave Canyon	2635' FNL, 1390' FWL	SENE-3-38S-24E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon Federal 4-3	43-037-31414	Oil Well	Cave Canyon	1310' FNL, 200' FEL	NENE-4-38S-24E	San Juan	UT
ST of UT ML-43698	N/A	N/A	Gage Foster 1	43-037-31463	Oil Well	Road Canyon	2180' FNL, 1780' FWL	SENE-32-37S-23E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon 4-4	43-037-31539	Oil Well	Cave Canyon	1150' FNL, 1070' FEL	NENE-4-38S-24E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon Federal 12-3	43-037-31567	Oil Well	Cave Canyon	1610' FNL, 1300' FWL	SWNW-3-38S-24E	San Juan	UT
14-20-603-239	Navajo	Gothic Mesa Unit	Gothic Mesa 6-43	43-037-31643	Oil Well	Gothic Mesa	1900' FSL, 500' FEL	NESE-6-41S-23E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon Federal 4-5	43-037-31695	Oil Well	Cave Canyon	50' FNL, 1800' FEL	NWNE-4-38S-24E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon 13-3	43-037-31766	Oil Well	Cave Canyon	2045' FSL, 1180' FWL	NWSW-3-38S-24E	San Juan	UT
UTU-47876	N/A	N/A	WSW. No. 1	43-037-31820	Water Source	Cave Canyon	1800' FSL, 1845' FWL	NESW-3-38S-24E	San Juan	UT
UTU-47876	N/A	N/A	Cave Canyon 3-1	43-037-31095	Water Injection	Cave Canyon	2140' FNL, 200' FWL	SWNW-3-38S-24E	San Juan	UT
14-20-603-243	Navajo	Gothic Mesa Unit	Gothic Mesa 16-11	43-037-15042	Water Disposal	Gothic Mesa	500' FNL, 500' FWL	NWNW-16-41S-23E	San Juan	UT

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: not yet

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: not yet

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 12/7/2005

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 12/8/2005
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 12/8/2005
3. Bond information entered in RBDMS on: 12/8/2005
4. Fee/State wells attached to bond in RBDMS on: 12/8/2005
5. Injection Projects to new operator in RBDMS on: 12/8/2005
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UT00126

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: 886936C

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 1116000107
2. The **FORMER** operator has requested a release of liability from their bond on: n/a
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS: